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# **Maternal & Childhealth Advocacy International**

**Scottish Charitable Incorporated Organisation**

**Charity Number: SC043467**

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## **Trustees' Report and Financial Statements**

For the Year Ended

31<sup>st</sup> October 2019

*sjn consultants*

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**LEGAL AND ADMINISTRATIVE INFORMATION**

Charity Number: SC043467  
Principal Office: 1 Columba Court  
Laide  
Achnasheen  
Ross-shire  
IV22 2NL

Trustees: At the date of this report, the current Trustees are:

**Appointed**

Dr Brigid Hayden	4 <sup>th</sup> October 2012	
Dr Rhona MacDonald	4 <sup>th</sup> October 2012	Honorary Executive Director
Dr David Southall	4 <sup>th</sup> October 2012	Honorary Medical Director
Dr Madho Jingree	4 <sup>th</sup> October 2012	
Ms Wendy Martin	8 <sup>th</sup> September 2016	
Mr Steve Schnabel	7 <sup>th</sup> March 2018	<b>Resigned 31<sup>st</sup> October 2019</b>
Dr Maire Casement	13 <sup>th</sup> December 2018	

Independent Examiner:

Sandra J Nairn ACMA CGMA  
SJN Consultants Ltd  
The Slipway  
Inverasdale  
Poolewe  
Wester Ross  
IV22 2LN

UK Banks:

Co-operative Bank plc  
PO Box 200  
Skelmersdale  
Lancashire  
WN8 6GH

Scottish Widows  
67 Morrison Street  
Edinburgh  
EH3 8YJ

Triodos  
Deanery Road  
Bristol  
BS1 5AS

International Bank:

Ecobank Liberia  
Head Office, Monrovia  
Randall Street  
Monrovia  
Liberia

## **TRUSTEES' REPORT**

### **Structure, Governance and Management**

Maternal & Childhealth Advocacy International (MCAI) is a Scottish Charitable Incorporated Organisation (SCIO) and was registered with the Scottish Charity Regulator with effect from 4<sup>th</sup> October 2012 with registration number SC043467.

The charity is governed and administered in accordance with its constitution and mission statement.

The structure of the charity consists of the Trustees, who are also the organisation's only members, and comprise the MCAI board.

The Trustees manage the organisation of the charity and make all the major and strategic decisions about its organisation, governance, operation, and structure. The Trustees work for the charity on a voluntary basis. The Honorary Executive & Finance Director is responsible for the overall management of the charity and the Honorary Medical Director is responsible for operational activities in international projects and the health of international charity workers (previously referred to as 'volunteers'). Trustees share the responsibility of the safety and security of international charity workers and of safeguarding issues. Because of staff changes in the current year, both Honorary Directors also carry out much of the day to day administration with the help of a part-time finance manager. National administrative staff run the day to day operations of the international programmes. Committed UK-based volunteers help with the analysis of the monitoring and administration of the international projects.

Trustee appointment and recruitment is in line with the criteria stipulated in the charity's constitution. Trustee recruitment is a fair and open process that can be accessed by any individual aged 16 years and over (excluding employees) who has valuable skills and experience that will benefit the charity, who subscribes to the purposes of the organisation, and believes in MCAI's stated values. The constitution requires that nominations should come from an existing trustee and that appointment should follow a staged recruitment process, a conflict of interest check, and a unanimous decision from the Board of Trustees. The maximum number of trustees is 12 and the minimum is 4.

### **Objectives and Activities**

#### **Charitable Purposes**

The charitable purposes of Maternal & Childhealth Advocacy International are defined in its constitution. The purposes are:

- To relieve those in need by reason of age, ill-health, disability, financial hardship or other disadvantage by supporting public health systems in the countries in which we work and by advocating for effective medical treatment to be free at the point of delivery and accessible to all.
- To advance health by saving and improving the lives of seriously ill pregnant women, children, and babies in areas of extreme poverty by empowering and enabling our in-country partners to strengthen emergency healthcare so that every baby, infant, child, and pregnant woman and girl can receive high quality emergency healthcare without delay.

#### **Main Activities**

In Liberia, MCAI continued with the training programmes in advanced obstetric and neonatal care and strengthened the health service delivery of quality maternal and neonatal care in public hospitals by supporting expert national staff. In order to provide continuous emergency health care, MCAI continued to provide medicines and medical supplies and equipment.

All training programmes continue to be rigorously monitored and evaluated with robust data, which is shared with partners and donors.



MCAI continued to develop and distribute up-to-date and evidence-based medical teaching materials, including evidence-based guidelines in obstetric and neonatal care.

MCAI continued to advocate for the rights of pregnant women, babies, and children at a national and international level, and to translate these rights into practical clinical work and programmes.

The Trustees undertook fundraising activities throughout the year (adhering to MCAI's ethical fundraising policy) in the form of applying for grants and seeking donations in order to fund the charity's project work. All fundraising activity throughout the year was undertaken by unpaid volunteers and Trustees not based in the office with minimal financial cost to the charity. Trustees also regularly reviewed, developed, and upheld the charity's governance structures, policies, and operating procedures, particularly as regards safeguarding. The Trustees continued to meet once a month by videoconferencing.

### **Achievements and Performance**

A total of 95 international volunteer days were spent on MCAI's projects in Liberia.

- In Liberia, as part of MCAI's advanced obstetric training programme, 8 final year trainee obstetric clinicians successfully passed their final written exam to become qualified obstetric clinicians to work in public hospitals as designated by the Ministry of Health and share their expertise and experience with their health worker colleagues to help build knowledge and capacity in the health workforce. The 10 trainee obstetric clinicians continued with their training by undergoing the second year of the 3-year training programme, including continuing with their apprenticeship-based training and distance learning class room tutorials with MCAI volunteer obstetric trainers. In order to make most effective and efficient use of Liberian trainers, MCAI reorganised the training to make the position of obstetric master trainer redundant and appointed a Liberian obstetric trainer at each training hospital.
- As part of MCAI's task-sharing programme in advanced neonatal care, 3 trainee neonatal clinicians successfully passed their final written exam to become qualified neonatal clinicians to work in public hospitals as designated by the Ministry of Health and share their expertise and experience with their health worker colleagues to help build knowledge and capacity in the health workforce. The 6 trainee neonatal clinicians continued with their training by undergoing the first year of the 2-year training programme, including continuing with their apprenticeship-based training with neonatal master trainer, Adeyemo Kola, and distance learning class room tutorials with MCAI volunteer neonatal trainers.
- MCAI upgraded and equipped 2 additional neonatal units in Liberia at CH Rennie Hospital in Margibi County and Martha Tubman Memorial Hospital in Grand Gedeh County. MCAI also part-equipped the neonatal unit at Phebe Hospital in Bong County and provided some neonatal equipment to Fish Town Hospital in River Gee County.
- The innovative project to help detect fetal distress and empower pregnant women during labour continued at two public hospitals in Liberia (CB Dunbar and CH Rennie). In this project, pregnant women the early stages of labour who give their informed consent are trained to monitor their Fetal Heart Rate (FHR) at the end of every contraction using a simple sonicaid and alert her attending midwife/obstetric clinician trainee if she detects any changes. If changes are confirmed, appropriate clinical interventions are immediately undertaken by the obstetric clinician or doctor.
- MCAI also became an implementing partner of UNICEF in a joint programme to provide Comprehensive Obstetric and Neonatal Care in Grand Gedeh County.
- MCAI's obstetric and neonatal task-sharing programmes were independently evaluated by external experts organised by WHO and funded by Irish Aid. The resulting report was very positive about the task-sharing programmes.
- MCAI's Honorary Medical Director visited Liberia every 2 – 3 months to provide supervision, leadership, and quality control to the obstetric and neonatal programmes.

### **Future Plans in Liberia**

With the support of partners, MCAI plans to scale up and roll out the task-sharing programmes in advanced obstetrics and in advanced neonatal care to other counties and recruit and appoint new obstetric and neonatal trainees to the programme. With the support of UNICEF, MCAI is also planning to develop task-sharing in advanced paediatric care and train more health workers in neonatal resuscitation. With the support of the Ministry of Health, Irish Aid and UNICEF, MCAI plans to expand the FHR monitoring project to other hospitals and establish more neonatal units in hospitals in which the neonatal clinicians are based. MCAI also plans to undertake a programme with the support of Irish Aid to prevent the maternal complication post-partum haemorrhage and to prevent the neonatal complication of birth asphyxia in 9 Liberian counties.

### **Financial Review**

#### **Policy on reserves**

Sufficient funds are always held in reserve to ensure that the charity can operate the UK office and pay UK staff for 4 months with an additional agreed amount (£3,000) for contingency, such as the event of staff redundancy. Trustees consider that the 4 month time period is sufficient to allow for financial responsibilities to be upheld in any unforeseen circumstances that might lead to the dissolution of the charity and the £3,000 additional funds necessary to uphold duties and responsibilities to employed staff. Trustees consider that this reserve policy is prudent financial governance, which balances the effective use of funds for charitable purposes with responsibilities and duties to UK employed staff and other contractual and legal obligations.

MCAI upholds its responsibilities to its Liberian projects (including national staff) by allowing funds from MCAI's partner, the Advanced Life Support Group (ALSG) to accrue over the year to be spent in the following year. This policy (supported by ALSG) means that there are always sufficient funds to sustainably maintain and develop MCAI's project work (and therefore fulfil MCAI's charitable purposes) and uphold financial responsibilities to national staff. MCAI also holds sufficient funds in the MCAI Project Fund to provide a financial buffer if necessary.

Both of these policies on reserves are reviewed on an annual basis, or more regularly if deemed appropriate by MCAI's Honorary Executive Director.

#### **Review of accounts**

Charitable income for the year totalled £278,257, which has increased from the previous year (£215,634), giving a net income of £30,271. Restricted funds income exceeded expenditure by £20,676, which will be used in the following financial years. For sustainability purposes, to ensure that the Liberian programmes had sufficient funding in the long-term, Trustees continued the financial management system of releasing funds that had been accrued in the previous year from funds from MCAI's partner, the Advanced Life Support Group, and in the MCAI Project Funds.

MCAI received several grants throughout the year. In April 2019, MCAI received £50,889 (given as US dollars to our bank in Liberia, totalling, US\$66,114), from UNICEF for a joint programme to improve comprehensive emergency obstetric and neonatal care at Martha Tubman Hospital in Grand Gedeh County. In July 2019, MCAI received £37,208 (given as US dollars to our bank in Liberia, totalling, \$48,370) from UNFPA to improve comprehensive emergency obstetric and neonatal care in two Liberian Counties, Margibi County and Grand Capemount County.

Notably, MCAI also received £45,485 of funding from one-off individual donations to help support our project work (£45,605 in total from individual donors) and £28,898 from regular donors, £9,809 of which was unrestricted funding to help support charity running costs, and £19,089 of which supported our programme work in Liberia. Gift aid income for the year totalled £18,172. Sundry income for the year, including funds from collecting cans totalled £980.



## Maternal & Childhealth Advocacy International (SCIO)

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MCAI's partner, the Advanced Life Support Group (ALSG), provided £88,492.20 throughout the year, £70,429.20 to help fund programme work in the coming year and £18,000 to help support staff salaries in the current year.

Income from trading activities was £2,047, including an income of £1,426 from sales of MCAI's books.

At the end of the last financial year (31 October 2018), MCAI exited the Gambia and the remaining funds left in the Gambia fund (£5,424), with permission from the donor (ALSG), was transferred to MCAI's Liberia projects.

Of expenditure £246,197 was spent directly on charitable activities of which £19,919 was spent on related activity running costs (overheads) and £828 on charity governance. Robust charity governance continued and further developed throughout the year under the leadership of the Honorary Executive and Financial Director and Charity Trustees, at no financial cost. The Trustees did not claim any expenses throughout the year.

For the second year in a row, unrestricted income exceeded expenditure by £9,595. Trustees agreed to transfer £8,622 of this surplus to help support MCAI's programme work in Liberia, giving a net unrestricted income of £973. This situation is a result of MCAI employing only one part-time staff member throughout the year, with a volunteer (Mr Steve Schnabel) and the two Honorary Directors also contributing to the overall workload of the charity at no additional cost. Therefore, UK staff salaries (for the one part-time staff member) was low totalling £9,332 for the year. MCAI also provided a workplace pension.

Costs of national staff remained at a high level this year at £112,770 but was slightly down on the previous year (£118,061) as a result of MCAI no longer being involved in The Gambia, so this year's figures are for Liberia only. MCAI spent £68,966 on training equipment, and medical equipment and supplies, with an £4,554 on costs of transporting these items to Liberia. Travel expenditure for the year totalled £28,673.

Exchange rate losses and bank charges, have decreased from the previous year (£3,251) totalling £1,414, while depreciation of equipment totalled £528.

In line with accounting practices, the finances and charitable activities relating to the textbook (International Maternal and Child Health Care: a practical manual for hospitals worldwide) and the pocketbooks (Hospital Care for Maternal Emergencies and Hospital Care for Neonates and Infants) financed by MCAI, are shown in "stock" (p11, currently valued at £13,857) and have been added to the Books fund (p21). Most of the work involved in the book distribution project is undertaken by a dedicated UK volunteer: as noted in the paragraph below, the charitable activities of MCAI could not be achieved without the work of its committed and much valued volunteers.

Gifts in kind amounted to £3,160, comprising of: £700 worth of neonatal nasogastric tubes from the company Pennine Healthcare; £200 worth of baby hats (200) donated from the UK charity Global One; a training maniken valued at £900 organised by an MCAI Trustee; an oxygen splitter worth £360 donated by Diamedica; 10 anaesthetic books worth £200 donated by the Association of Anaesthetists of Great Britain and Ireland; and donated supplies from a UK hospital (organised by an MCAI volunteer) valued at £800. A volunteer, Sarah Bovey, also hand-made baby hats and baby blankets which although have no monetary value, have been greatly appreciated by the babies' mothers in Liberia. In addition, MCAI's international medical charity workers have donated a total of 95 days towards the charity's international programme work. The Honorary Executive Director works on a voluntary part-time basis on managerial, finance, fundraising, and governance activities. The Honorary Medical Director works full time on a voluntary basis on the operational activities of the charity and as Project Lead for Liberia. MCAI could not operate without the valuable time and effort donated by its volunteers, including the MCAI Trustees.

## **Statement of Trustees Responsibilities**

The Trustees of the charity are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustees to prepare financial statements for each financial year. The Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the Trustees on 12 May 2020 and signed on their behalf by:



Dr Rhona MacDonald  
Trustee

**18 May 2020**

Date



## **INDEPENDENT EXAMINER'S REPORT**

### **Independent examiner's report to the trustees of Maternal & Childhealth Advocacy International Scottish Charitable Incorporated Organisation**

I report on the financial statements of the charity for the year ended 31 October 2019 which are set out on pages 10 to 21.

This report is made solely to the company's Trustees, as a body, in accordance with regulation 11 of the Charities Accounts (Scotland) Regulations 2006. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

#### **Respective responsibilities of trustees and independent examiner**

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (the Accounts Regulations). The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with regulation 11 of the Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

#### **Independent examiner's statement**

In the course of my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and regulation 4 of the Accounts Regulations; and
  - to prepare financial statements which accord with the accounting records and comply with regulation 8 of the Accounts Regulations

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:



Dated: 18 May 2020

Sandra J Nairn ACMA CGMA

SJN Consultants Ltd

The Slipway

Inverasdale

Poolewe

Wester Ross

IV22 2LN

**STATEMENT OF FINANCIAL ACTIVITIES**

**For the year ended 31 October 2019**

	Note	2019		2018	
		Unrestricted Fund £	Restricted Fund £	Total £	
<b>Income and endowments from:</b>					
Incoming resources from generated funds					
- Donations and legacies	(3)	30,489	245,342	275,831	212,285
- Charitable activities	(4)	-	-	-	-
- Other trading activities	(5)	113	1,934	2,047	3,087
- Investments	(6)	190	189	379	262
- Other		-	-	-	-
<b>Total income</b>		<b>30,792</b>	<b>247,465</b>	<b>278,257</b>	<b>215,634</b>
<b>Expenditure on:</b>					
- Raising funds	(7)	450	511	961	1,648
- Charitable activities	(8)	19,919	226,278	246,197	196,821
- Other	(9)	828	-	828	1,899
<b>Total expenditure</b>		<b>21,197</b>	<b>226,789</b>	<b>247,986</b>	<b>200,368</b>
Net gains on investments		-	-	-	-
Net income/(expenditure)	(10)	9,595	20,676	30,271	15,266
Transfers between funds		(8,622)	8,622	-	-
Net income/(expenditure) before other gains/ (losses)		973	29,298	30,271	15,266
Other gains/(losses)		-	-	-	-
<b>Net movement in funds</b>		<b>973</b>	<b>29,298</b>	<b>30,271</b>	<b>15,266</b>
<b>Reconciliation of Funds:</b>					
Total funds brought forward at 1 Nov 2018		33,483	207,934	241,417	226,151
<b>Total funds carried forward at 31 Oct 2019</b>		<b>34,456</b>	<b>237,232</b>	<b>271,688</b>	<b>241,417</b>

The notes on pages 13 to 21 form part of these financial statements.



# Maternal & Childhealth Advocacy International (SCIO)

## BALANCE SHEET


As at 31 October 2019

	Note	2019		2018
		£	£	£
<b>Fixed Assets</b>				
Tangible assets	(12)		2,102	2,636
<b>Current Assets</b>				
Stocks		13,857		14,364
Debtors	(13)	20,479		23,502
Cash at bank and in hand		<u>249,783</u>		<u>202,202</u>
		284,119		240,068
<b>Creditors:</b>				
Amounts falling due within one year	(14)	<u>14,533</u>		<u>1,287</u>
<b>Net Current Assets</b>			<u>269,586</u>	<u>238,781</u>
<b>Total Net Assets</b>			<u>271,688</u>	<u>241,417</u>
<b>Represented by:</b>				
Funds - Unrestricted			34,456	33,483
- Restricted	(17)		<u>237,232</u>	<u>207,934</u>
			<u>271,688</u>	<u>241,417</u>

The charity's trustees acknowledge their responsibilities for the maintenance of accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the charity and of its net incoming resources for the year in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (the Accounts Regulations).

The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply.

The financial statements were approved by the Trustees and signed on their behalf by:

  
\_\_\_\_\_  
Dr Rhona MacDonald  
Trustee

18 May 2020

Date

Scottish Charitable Incorporated Organisation Number: SC043467

The notes on pages 13 to 21 form part of these financial statements.

**STATEMENT OF CASH FLOWS**

**For the year ended 31 October 2019**

	<u>2019</u>	<u>2018</u>
	£	£
<b>Cash flows from operating activities</b>		
<b>Net (expenditure)/income per Statement of Financial Activities</b>	30,271	15,266
<u>Adjustments for:</u>		
Depreciation of property, plant and equipment	534	671
Loss on disposal of tangible fixed assets	-	50
Dividends, interest and rents from investments	(379)	(262)
(Increase)/decrease in stocks	507	1,724
(Increase)/decrease in trade and other receivables	3,023	(13,681)
Increase/(decrease) in trade and other payables	13,246	(5,143)
<b>Net cash provided by operating activities</b>	<b>16,931</b>	<b>(16,641)</b>
<b>Cash flows from investing activities:</b>		
Proceeds from sales of property, plant and equipment	-	-
Purchases of property, plant and equipment	-	(1,350)
Dividends, interest and rents from investments	379	262
<b>Net cash from/(used in) investing activities</b>	<b>379</b>	<b>(1,088)</b>
<b>Net cash from financing activities</b>	-	-
<b>Net increase in cash and cash equivalents</b>	<b>47,581</b>	<b>(2,463)</b>
Cash and cash equivalents at the beginning of the year	202,202	204,665
<b>Cash and cash equivalents at the end of the year</b>	<b>249,783</b>	<b>202,202</b>
<b>Components of cash and cash equivalents:</b>		
Cash and bank balances	<b>249,783</b>	<b>202,202</b>



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2019

### 1. Accounting policies

#### (a) Basis of preparation

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – Charities SORP (FRS 102) (effective 1 January 2015) – the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### (b) Change in basis of accounting or to previous periods

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

#### (c) Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

#### (d) Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably

	quantifiable, measurable and material.				
Volunteer help	The value of any volunteer help received is not included in the accounts.				
Investment income	This is included in the accounts when receivable.				
Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.				
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.				
<b>(e) Expenditure</b>					
Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.				
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.				
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.				
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.				
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.				
Other expenditure	These are support costs not allocated to a particular activity.				
<b>(f) Taxation</b>					
	The charity is exempt from tax on its charitable activities.				
<b>(g) Tangible fixed assets and depreciation</b>					
	Tangible fixed assets are included at cost including any incidental expenses of acquisition.				
	Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:				
	<table><tr><td>Equipment – Unrestricted</td><td>20% reducing balance</td></tr><tr><td>– Restricted</td><td>33% reducing balance</td></tr></table>	Equipment – Unrestricted	20% reducing balance	– Restricted	33% reducing balance
Equipment – Unrestricted	20% reducing balance				
– Restricted	33% reducing balance				
	For assets held in foreign countries where the asset is likely to be quickly rendered worthless, their cost is written off in the year of acquisition.				
<b>(h) Stocks</b>					
	Stocks relate to textbooks and pocketbooks financed and owned by MCAI and will be distributed to health workers in middle and low income countries throughout the world as a key component of MCAI's charitable activities. Stocks are valued at cost.				



(i) Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

(k) Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(l) Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period. Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred. All exchange differences are taken into account in arriving at net income/expenditure.

(m) Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the charity in independently administered funds.

(n) Cost allocation

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. staff time.

**Notes To The Financial Statements – continued**

**For the year ended 31 October 2019**

**2. Statement of financial activities – prior year**

	Note	2018		<u>Total</u> £
		<u>Unrestricted</u> <u>Fund</u> £	<u>Restricted</u> <u>Fund</u> £	
<b>Income and endowments from:</b>				
Incoming resources from generated funds				
- Donations and legacies	(3)	33,830	178,455	212,285
- Charitable activities	(4)	-	-	-
- Other trading activities	(5)	154	2,933	3,087
- Investments	(6)	50	212	262
- Other		-	-	-
<b>Total income</b>		<u>34,034</u>	<u>181,600</u>	<u>215,634</u>
<b>Expenditure on:</b>				
- Raising funds	(7)	503	1,145	1,648
- Charitable activities	(8)	26,060	170,761	196,821
- Other	(9)	1,214	685	1,899
<b>Total expenditure</b>		<u>27,777</u>	<u>172,591</u>	<u>200,368</u>
Net gains on investments		-	-	-
Net (expenditure)/income	(10)	<u>6,257</u>	<u>9,009</u>	<u>15,266</u>
Transfers between funds		<u>(6,180)</u>	<u>6,180</u>	<u>-</u>
Net (expenditure)/income before other gains/ (losses)		<u>77</u>	<u>15,189</u>	<u>15,266</u>
Other gains/(losses)		<u>-</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<u>77</u>	<u>15,189</u>	<u>15,266</u>
<b>Reconciliation of Funds:</b>				
Total funds brought forward at 1 Nov 2017		33,406	192,745	226,151
<b>Total funds carried forward at 31 Oct 2018</b>		<u>33,483</u>	<u>207,934</u>	<u>241,417</u>



**Notes To The Financial Statements – continued**

For the year ended 31 October 2019

	2019			2018
	Unrestricted <u>Fund</u> £	Restricted <u>Fund</u> £	<u>Total</u> £	<u>Total</u> £
<b>3. Income from donations and legacies</b>				
Donations from individuals – regular	9,809	19,089	28,898	19,310
Donations from individuals – one-off	120	45,485	45,605	42,137
Legacies	-	-	-	-
Gift Aid income	1,480	16,692	18,172	12,811
Appeals	-	-	-	-
Government & Global Agencies	-	88,097	88,097	44,156
Companies and Community Groups	18,000	72,819	90,819	88,534
Gifts in Kind	-	3,160	3,160	650
Trusts and Foundations	100	-	100	4,022
Sundry Income	980	-	980	665
	<u>30,489</u>	<u>245,342</u>	<u>275,831</u>	<u>212,285</u>
<b>4. Income from charitable activities</b>				
Textbooks and Pocketbooks donated	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>5. Income from other trading activities</b>				
Textbook and Pocketbook sales incl. p&p	-	1,426	1,426	2,214
Fundraising activities and sundry events	101	508	609	830
Recycling	-	-	-	-
Royalties and product sales	12	-	12	14
MCAI Teaching materials	-	-	-	29
	<u>113</u>	<u>1,934</u>	<u>2,047</u>	<u>3,087</u>
<b>6. Income from investments</b>				
Bank Interest	<u>190</u>	<u>189</u>	<u>379</u>	<u>262</u>

**Notes To The Financial Statements – continued**

**For the year ended 31 October 2019**

	2019			2018
	Unrestricted	Restricted	Total	Total
	Fund	Fund		
£	£	£	£	
<b>7. Expenditure on raising funds</b>				
Cost of book sales	-	407	407	944
Fundraising costs	248	18	266	409
UK office salaries	94	-	94	180
Rent, rates and insurance	63	-	63	54
Telephone/Communication	20	55	75	19
Computer	1	-	1	3
Sundry expenses	7	8	15	6
Printing postage, stationery, advertising	11	23	34	26
Depreciation – Equipment	6	-	6	7
(Profit)/Loss on disposal of assets	-	-	-	-
	<u>450</u>	<u>511</u>	<u>961</u>	<u>1,648</u>
<b>8. Expenditure on charitable activities</b>				
Medical training, equipment and supplies	-	68,966	68,966	24,943
Teaching materials costs	-	161	161	1,297
Storage and transportation	-	4,554	4,554	624
Project operational costs	-	-	-	285
Monitoring & evaluation	-	1,217	1,217	-
In-country staff costs	-	112,770	112,770	118,061
UK office salaries	9,307	-	9,307	17,877
Rent, rates and insurance	6,263	30	6,293	5,372
Telephone/Communication	1,996	5,406	7,402	1,844
Computer	89	-	89	242
Sundry expenses	642	836	1,478	613
Printing postage, stationary, advertising	1,107	2,238	3,345	2,543
Bank charges and interest, exchange rate gains and losses	3	1,411	1,414	3,251
Depreciation – Equipment	512	16	528	664
(Profit)/Loss on disposal of assets	-	-	-	50
Motor, travel, insurance and subsistence	-	28,673	28,673	19,155
Donations to Affiliates	-	-	-	-
	<u>19,919</u>	<u>226,278</u>	<u>246,197</u>	<u>196,821</u>

**Notes To The Financial Statements – continued**

For the year ended 31 October 2019

	2019		2018	
	Unrestricted Fund £	Restricted Fund £	Total £	Total £
<b>9. Other expenditure - governance</b>				
UK Salaries	-	-	-	-
Room hire	-	-	-	-
Independent examination fees	663	-	663	536
Book keeping and payroll service	165	-	165	447
Trustee expenses	-	-	-	84
UK staff and trustee travel	-	-	-	-
Other professional fees	-	-	-	642
Sundry expenses	-	-	-	190
	<u>828</u>	<u>-</u>	<u>828</u>	<u>1,899</u>

	2019 £	2018 £
<b>10. Net income before transfers</b>		
This is stated after charging:-		
Depreciation of owned fixed assets	534	671
Independent Examination fees	663	536
Accountants' remuneration - other services	165	447
	<u>1,362</u>	<u>1,654</u>

	2019	2018
<b>11. UK Staff and Trustee Remuneration</b>		
The average number of UK employees:	1	1.6
	£	£
Gross salaries	9,332	17,767
Employers NIC	-	-
Employers pension contributions	69	58
	<u>9,401</u>	<u>17,825</u>

The above relates to full time UK based, working equivalents allocated accordingly between direct charitable expenditure, fundraising, and administration costs. There are no employees with emoluments above £60,000 per annum.

No remuneration was received by the trustees during the year.

Trustees expenses totalling £nil (2018 - £84) were paid during the year to trustees for expenses relating to trustees duties.



**Notes To The Financial Statements – continued**

**For the year ended 31 October 2019**

	<u>Equipment</u> £	<u>Total</u> £
<b>12. Tangible fixed assets</b>		
Cost		
At 1 November 2018	6,985	6,985
Additions	-	-
Disposals	-	-
At 31 October 2019	<u>6,985</u>	<u>6,985</u>
Depreciation		
At 1 November 2018	4,349	4,349
Disposals	-	-
Charges for the year	534	534
At 31 October 2019	<u>4,883</u>	<u>4,883</u>
Net Book Value		
At 31 October 2019	<u>2,102</u>	<u>2,102</u>
At 1 November 2018	<u>2,636</u>	<u>2,636</u>

Some items of equipment relate to restricted funds.

	<u>2019</u>			<u>2018</u>
	<u>Unrestricted</u> <u>Fund</u> £	<u>Restricted</u> <u>Fund</u> £	<u>Total</u> £	<u>Total</u> £
<b>13. Debtors</b>				
Trade debtors	235	-	235	232
Prepayments	3,034	17,210	20,244	23,270
	<u>3,269</u>	<u>17,210</u>	<u>20,479</u>	<u>23,502</u>
<b>14. Creditors: Amounts falling due within one year</b>				
UK Social Security and Taxes	37	-	37	112
Overseas Social Security and Taxes	-	-	-	-
Accruals and deferred income	3,602	10,894	14,496	1,175
	<u>3,639</u>	<u>10,894</u>	<u>14,533</u>	<u>1,287</u>
<b>15. Analysis of net assets between funds</b>				
Fixed assets	2,068	34	2,102	2,636
Current assets	36,027	248,092	284,119	240,068
Current liabilities	(3,639)	(10,894)	(14,533)	(1,287)
	<u>34,456</u>	<u>237,232</u>	<u>271,688</u>	<u>241,417</u>

**Notes To The Financial Statements – continued**

**For the year ended 31 October 2019**

16. Movement in funds	Opening	Movement in Resources			Total Funds
	Funds	Incoming	Outgoing	Transfers	£
	£	£	£	£	
Unrestricted funds	33,483	30,792	(21,197)	(8,622)	34,456
Restricted funds	207,934	247,465	(226,789)	8,622	237,232
	<u>241,417</u>	<u>278,257</u>	<u>(247,986)</u>	<u>-</u>	<u>271,688</u>

17. Restricted funds analysis	Opening	Movement in Resources			Total
	Funds	Incoming	Outgoing	Transfers	£
	£	£	£	£	
Gambia Brikama Obstetric Programme	5,424	-	-	(5,424)	-
Liberia SEC	114	-	-	(114)	-
Liberia Obstetric Training	41,019	14,294	(115,310)	79,822	19,825
Liberia Neonatal Programme	23,405	5,782	(59,279)	39,466	9,374
UNICEF 1	-	50,889	(26,938)	-	23,951
UNFPA 1	-	37,208	(23,382)	-	13,826
Niche 2019 Training	-	-	-	-	-
ALSG Holding Fund*	70,617	72,819	-	(65,603)	77,833
Books	17,100	280	(507)	(100)	16,773
E-Library	-	-	-	-	-
MCAI Project Funds	50,255	66,193	(1,373)	(39,425)	75,650
Allocated Funds**	-	-	-	-	-
	<u>207,934</u>	<u>247,465</u>	<u>(226,789)</u>	<u>8,622</u>	<u>237,232</u>

\*The ALSG Holding Fund comprises sales of the Paediatric E-Library (as part of the ALSG's APLS course), which are paid to MCAI on a monthly basis.

\*\* A funding recording system that ringfences grants and donations for specific projects until they have been fully spent.

