

Charity No. 1001420

25-SEP-08

**Money For Madagascar**  
**Report and Financial Statements**  
**25 September 2008**

**ACCOUNTS** No 3<sup>CG</sup>  
3 JUN 2009  
CCF POST TEAM  
COMPLIANCE DIVISION

## Money For Madagascar

### Reference and Administrative Details

For the Year Ended 25 September 2008

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<b>Status</b>	The organisation is a registered charity, registered on 7 January 1991.
<b>Governing Document</b>	The charity is constituted under a trust deed dated 10 November 1990.
<b>Charity Number</b>	1001420
<b>Registered Office</b>	Llwyncelyn Isaf Carregsawdde Llangadog SA19 9BY
<b>Trustees</b>	Stuart Cassie Mike Cherry Gwen Evans Theresa Haine Philip Jones Bernadette King Timothy King Jan Kirby Chris Sewell Martin Wilkinson
<b>Bankers</b>	National Westminster Bank Plc 23 Uplands Crescent Swansea SA2 0NY  Charities Aid Foundation Kings Hill West Malling Kent ME19 4TA  COIF Charities Deposit Fund St Alphage House 2 Fore Street London EC2Y 5AQ
<b>Independent Examiner</b>	Alison Godfrey ACA Godfrey Wilson Ltd Chartered Accountants & Registered Auditors Pike House George Street Nailsworth Gloucestershire GL6 0AG

## **Money For Madagascar**

### **Report of the Trustees**

#### **For the Year Ended 25 September 2008**

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The trustees present their report and the audited financial statements for the year ended 25 September 2008.

The financial statements have been prepared on the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" revised in March 2005.

#### **Structure, Governance & Management**

Money For Madagascar (MfM) was founded in 1987 and registered with the Charity Commission, No. 1001420, on 7 January 1991.

It is governed by a Trust Deed dated 10 November 1990.

Trustees are recruited through personal recommendation, taking into account relevant skills and their knowledge of / interest in Madagascar.

New trustees are briefed comprehensively by the Co-ordinator and are given copies of the Trust Deed and recent minutes from meetings of the Trustees.

The charity is run by ten trustees, all of whom are volunteers, and one paid Development Officer. Decisions taken at Trustees' Meetings are implemented by the Development Officer and by three of those trustees who work as executive officers namely a Co-ordinator, a Treasurer and a Deputy Treasurer.

The Trustees have reviewed possible risks and have put in place systems to mitigate these.

#### **Objectives & Activities**

Money for Madagascar exists to enable Malagasy organisations to undertake development work. The programmes funded are people-orientated and often in a rural context, or to help the most vulnerable in urban areas, particularly in the fields of education and the prevention and relief of poverty, and in raising awareness of these issues with the general public.

Our policy is to send money to Madagascar rather than things or people. The projects are initiated and run by the Malagasy themselves. As a general rule grants are given to recognised groups for work in, or connected with, Madagascar that fits in with the charity's policy of promoting sustainable development and self-reliance. However, in exceptional circumstances, the Trustees reserve the right to make grants to individuals in cases of extreme need.

We have agreed substantial long-term funding for programmes on the east coast, Betampona in the eastern rainforest and for work with street children at two centres in the capital. In addition we fund a wide variety of one-off projects, mainly concerned with food security, reforestation and education.

## **Money For Madagascar**

### **Report of the Trustees**

**For the Year Ended 25 September 2008**

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#### **Achievements & Performance**

We have sent almost £325,000 to Madagascar in the past year. We monitor performance by means of written reports from the project leaders and through annual visits by one of the trustees. Overall we are satisfied from what we have seen that MfM funding has been well used and for the purposes for which it was intended.

#### **Financial Review**

This year we have continued to work closely with our long-term partners and record funding has been transferred.

The devaluation of the pound sterling against the Malagasy ariary has meant that the cost of projects has risen by over 30% within the year. This presents both ourselves and our partners with problems. The trustees have agreed to increase previously agreed funding, to maintain the value of our support, wherever possible and appropriate. Inevitably the cost of existing projects will continue to rise in the short term, as will the costs of any new one-off projects. We are keeping the situation under review.

Our main sources of funding are individuals, Churches, Quaker Meetings and a number of large Trusts.

#### **Reserves Policy**

Our aim is that, at any given time, we will hold sufficient funds across our current, reserve and deposit accounts to fund our long-term programmes and our responsibilities as employers for at least six months.

#### **Plans for the Future**

We expect the rapid expansion of recent years to continue as we become better known both in Madagascar and in the UK. We are currently concentrating on raising the profile of Money For Madagascar so that the charity becomes known to potential large funders both in the UK and elsewhere. We are also exploring the possibilities of finding suitable outlets in Madagascar for students to offer short-term practical service as there seems to be a need for this and our Malagasy partners are enthusiastic. Any new direction to the work will depend entirely on what proposals we receive from Madagascar. Provided that it accords with the principles on which MfM was founded, and the funding is available, then it is likely to be approved.

## Money For Madagascar

### Report of the Trustees

For the Year Ended 25 September 2008

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#### Statement of Responsibilities of the Trustees

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements
- 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 accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 1993. The trustees 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.

The trustees confirm that to the best of their knowledge there is no information relevant to the independent examination of which the examiner is unaware. The trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant information and that this information has been communicated to the examiner.

#### The Trustees

The trustees who served during the year and up to the date of this report are listed on page 1.

#### Independent Examiner

Alison Godfrey ACA of Godfrey Wilson Limited was appointed as the charity's independent examiner during the year.

Approved by the trustees on 19-05-09 and signed on their behalf by:



Gwen Evans - trustee

## Independent Examiner's Report

To the Trustees of

### Money For Madagascar

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I report on the accounts of the charitable trust for the year ended 25 September 2008, which are set out on pages 6 to 15.

#### Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43(3)(a) of the 1993 Act);
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the 1993 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 the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning 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

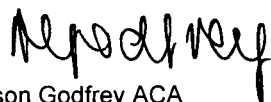
In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that, in any material respect, the requirements:
  - (a) to keep accounting records in accordance with s.41 of the 1993 Act; and
  - (b) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act and the regulations thereunder

have not been met;

or

- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

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Alison Godfrey ACA

#### GODFREY WILSON LIMITED

Pike House  
George Street  
Nailsworth  
Gloucestershire  
GL6 0AG

## Money For Madagascar

### Statement of Financial Activities (incorporating an Income and Expenditure Account)

For the Year Ended 25 September 2008

	Note	Restricted £	Unrestricted £	2008 Total £	2007 Total £
<b>Incoming Resources</b>					
<i>Incoming Resources From Generated Funds:</i>					
Voluntary Income		263,824	90,703	<b>354,527</b>	243,471
Merchandise Sales		-	1,256	<b>1,256</b>	814
Investment Income		483	4,891	<b>5,374</b>	4,923
<i>Other Incoming Resources</i>		-	424	<b>424</b>	-
<b>Total Incoming Resources</b>		<u>264,307</u>	<u>97,274</u>	<u><b>361,581</b></u>	<u>249,208</u>
<b>Resources Expended</b>					
<i>Costs of Generating Funds:</i>					
Costs of Generating Voluntary Income		-	1,818	<b>1,818</b>	4,729
Merchandise Costs		-	29	<b>29</b>	2,062
Charitable Activities		275,947	69,259	<b>345,206</b>	271,133
Governance Costs			2,597	<b>2,597</b>	3,055
<b>Total Resources Expended</b>	2	<u>275,947</u>	<u>73,703</u>	<u><b>349,650</b></u>	<u>280,979</u>
<b>Net (Outgoing) / Incoming Resources Before Transfers</b>		(11,640)	23,571	<b>11,931</b>	(31,771)
Gross Transfers Between Funds	11	<u>39,195</u>	<u>(39,195)</u>	<u>-</u>	<u>-</u>
<b>Net Movement in Funds</b>		27,555	(15,624)	<b>11,931</b>	(31,771)
<b>Reconciliation of Funds</b>					
Total Funds Brought Forward		<u>115,469</u>	<u>16,041</u>	<u><b>131,510</b></u>	<u>163,281</u>
<b>Total Funds Carried Forward</b>		<u><b>143,024</b></u>	<u><b>417</b></u>	<u><b>143,441</b></u>	<u>131,510</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 11 to the financial statements.

## Money For Madagascar

### Balance Sheet

As at 25 September 2008

	Note	£	2008 £	2007 £
<b>Fixed Assets</b>				
Tangible Assets	7		955	57
<b>Current Assets</b>				
Stock		120		147
Debtors	8	17,362		12,544
Cash at Bank and in Hand		<u>129,230</u>		<u>125,495</u>
		146,712		138,186
<b>Creditors: Amounts Falling Due Within 1 Year</b>	9	<u>4,226</u>		<u>6,733</u>
<b>Net Current Assets</b>			<u>142,486</u>	<u>131,453</u>
<b>Net Assets</b>			<u>143,441</u>	<u>131,510</u>
<b>Funds</b>				
Restricted Funds			143,024	115,469
Unrestricted Funds: General Funds			<u>417</u>	<u>16,041</u>
<b>Total Funds</b>			<u>143,441</u>	<u>131,510</u>

Approved by the trustees on

and signed on their behalf by:



Gwen Evans - trustee

## Money For Madagascar

### Notes to the Financial Statements

For the Year Ended 25 September 2008

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#### 1. Accounting Policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Charities Act 1993. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (revised 2005).
- b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable. Volunteer time is not valued in the accounts.
- c) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.
- d) Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the overhead costs of the central function, is apportioned across the restricted funds on the basis of the value of transfers paid to partner organisations. The percentage allocations used are as follows:

Sisters of Good Shepherd	1.71%
Akany Avoko	27.24%
FAP	38.76%
La Source	1.16%
Sandratra	8.23%
Association Ketsa	0.46%
Isotry Centre	2.38%
Unrestricted	20.06%

- e) Money For Madagascar sometimes receives money that has been raised directly for its partners in Madagascar. In these instances the money received is credited to voluntary income in the Statement of Financial Activities, and the subsequent transfer to the partner is shown as a grant payable.
- f) Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Furniture & Equipment	25% per annum reducing balance
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- g) Stocks are included in the accounts at the lower of cost and net realisable value.
- h) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund along with a fair allocation of overhead costs, as described in policy 1 (d).

**Money For Madagascar**

**Notes to the Financial Statements**

**For the Year Ended 25 September 2008**

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**1. Accounting Policies (continued)**

- i) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.
- j) Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

**Money For Madagascar**

**Statement of Financial Activities**

**For the Year Ended 25 September 2008**

	Costs of Generating Voluntary Income	Merchandise Costs	Charitable Activities	Governance Costs	2008 Total	2007 Total
<b>2. Resources Expended</b>						
Fundraising Costs	1,818	-	-	-	1,818	4,729
Merchandise Costs	-	29	-	-	29	2,062
Grants Payable to Partners (Note 3)	-	-	324,334	-	324,334	263,619
Staff Costs	-	-	13,053	-	13,053	-
Travel & Subsistence	-	-	1,506	-	1,506	3,137
Communications Costs	-	-	1,654	-	1,654	1,146
Secretarial Support	-	-	748	-	748	97
Bank Charges	-	-	10	-	10	1,100
Printing, Photocopying & Stationery	-	-	3,455	-	3,455	1,983
Audit, Accountancy & Professional Fees	-	-	-	2,597	2,597	3,055
Depreciation	-	-	319	-	319	19
Miscellaneous Costs	-	-	127	-	127	32
<b>Total</b>	<b>1,818</b>	<b>29</b>	<b>345,206</b>	<b>2,597</b>	<b>349,650</b>	<b>280,979</b>

## Money For Madagascar

### Notes to the Financial Statements

For the Year Ended 25 September 2008

#### 3. Grants Payable

	Restricted	Unrestricted	2008	2007
	£	£	£	£
Madagascar Development Fund	125,696	-	125,696	62,000
Akany Avoko Children's Home	88,334	-	88,334	58,437
SAF	-	50,273	50,273	65,310
Association Sandratra	26,684	-	26,684	31,521
Association ALF	-	11,190	11,190	7,020
Isotry Centre	7,735	-	7,735	20,300
Sisters of the Good Shepherd	5,555	-	5,555	5,900
La Source	3,775	-	3,775	4,170
Ecole Imboasalama	-	3,609	3,609	-
Ketsa Soa Fianatra	1,483	-	1,483	2,956
Collège Descartes	-	-	-	3,405
Kiadi	-	-	-	2,000
Rofia	-	-	-	600
	<u>259,262</u>	<u>65,072</u>	<u>324,334</u>	<u>263,619</u>

#### 4. Net Movement in Funds

This is stated after charging:

	2008	2007
	£	£
Depreciation	319	19
Trustees' Indemnity Insurance	Nil	Nil
Trustees' Reimbursed Expenses	1,506	2,647
Trustees' Remuneration	Nil	Nil
Auditors' Remuneration:		
▪ Accounts Preparation	1,998	1,998
▪ Independent Examination	352	-
▪ Other Services (Payroll & Consultancy)	247	-
▪ Audit	-	1,057
	<u>-</u>	<u>1,057</u>

Trustees' reimbursed expenses represents the reimbursement of travel and subsistence costs relating to attendance at trustees' meetings and visits to Madagascar.

## Money For Madagascar

### Notes to the Financial Statements

#### For the Year Ended 25 September 2008

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##### 5. Staff costs

Staff costs were as follows:

	2008 £	2007 £
Salaries and Wages	11,929	-
Social Security Costs	<u>1,124</u>	<u>-</u>
	<u><u>13,053</u></u>	<u><u>-</u></u>

No employee earned more than £60,000 during the year.

Average number of employees (full-time equivalent)	<u><u>0.54</u></u>	<u><u>-</u></u>
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##### 6. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

##### 7. Tangible Fixed Assets

	Furniture & Computer Equipment £
<b>Cost</b>	
At 26 September 2007	247
Additions	<u>1,217</u>
At 25 September 2008	<u>1,464</u>
<b>Depreciation</b>	
At 26 September 2007	190
Charge for the Year	<u>319</u>
At 25 September 2008	<u>509</u>
<b>Net Book Value</b>	
At 25 September 2008	<u><u>955</u></u>
At 25 September 2007	<u><u>57</u></u>

Money For Madagascar

Notes to the Financial Statements

For the Year Ended 25 September 2008

8. Debtors

	2008 £	2007 £
Gift Aid Recoverable	16,364	11,574
Accrued Bank Interest	998	970
	<u>17,362</u>	<u>12,544</u>

9. Creditors : Amounts Due Within 1 Year

	2008 £	2007 £
Accruals	2,350	5,992
Other Creditors	1,876	741
	<u>4,226</u>	<u>6,733</u>

10. Analysis of Net Assets Between Funds

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Tangible Fixed Assets	-	955	955
Current Assets	143,024	3,688	146,712
Current Liabilities	-	(4,226)	(4,226)
<b>Net Assets at 25 September 2008</b>	<u>143,024</u>	<u>417</u>	<u>143,441</u>

## Money For Madagascar

### Notes to the Financial Statements

For the Year Ended 25 September 2008

#### 11. Movements in Funds

	At 26 September 2007 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	At 25 September 2008 £
<b>Restricted Funds</b>					
Akany Avoko	106,509	126,150	(94,019)	-	138,640
FAP	6,518	113,301	(133,786)	13,967	-
Sisters of the Good Shepherd	-	1,945	(5,912)	3,967	-
Sisters' Surgery Fund	300	1,261	-	-	1,561
La Source	2,142	1,648	(4,017)	227	-
Cyclone Relief	-	2,208	-	-	2,208
Association Ketsa	-	1,463	(1,579)	116	-
Ambohimanga Schools	-	615	-	-	615
Isotry Centre	-	550	(8,232)	7,682	-
Sandraatra	-	15,166	(28,402)	13,236	-
<b>Total Restricted Funds</b>	<b>115,469</b>	<b>264,307</b>	<b>(275,947)</b>	<b>39,195</b>	<b>143,024</b>
<b>Unrestricted Funds</b>					
General Funds	16,041	97,274	(73,703)	(39,195)	417
<b>Total</b>	<b>16,041</b>	<b>97,274</b>	<b>(73,703)</b>	<b>(39,195)</b>	<b>417</b>
<b>Total Funds</b>	<b>131,510</b>	<b>361,581</b>	<b>(349,650)</b>	<b>-</b>	<b>143,441</b>

#### Purposes of Restricted Funds

Akany Avoko	Akany Avoko is a Children's Home providing care for 130 vulnerable children aged 0-21. We continue to fund particular projects at Akany Avoko from time to time but MfM trustees also agreed from April 2000 to transfer funds raised independently.
FAP/MDF	Fonds d'Appui du Président de la République (FAP) now renamed the Madagascar Development Fund is a Malagasy NGO set up by an ex-British Ambassador and concerned with buildings for primary schools, water supply and small income-generating projects. MfM trustees agreed in March 2006 to transfer money raised independently for this NGO.
The Sisters of the Good Shepherd	The Sisters of the Good Shepherd is a small community of nuns, based in the capital, who do a wide range of work with street children, distressed families, unmarried mothers, the elderly, prisoners and residents at the psychiatric hospital.
Sisters' Surgery Fund	Sisters' Surgery Fund is a fund set up specifically for urgent operations for clients of the Sisters of the Good Shepherd (mostly children) who have no means of paying.

## Money For Madagascar

### Notes to the Financial Statements

For the Year Ended 25 September 2008

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#### Purposes of Restricted Funds (continued)

La Source	La Source is a small school in the capital offering education and work experience for young people with learning difficulties.
Sandratra	Sandratra is a Malagasy NGO concerned mostly with school building and income-generating projects.
Association Ketsa	Association Ketsa is an association of parents and friends of two small state primary schools in the Fianarantsoa region.
Ambohimanga Schools	These are two small primary schools to the north of the capital.
The Isotry Centre	The Isotry Centre is run by a federation of the Protestant and Lutheran churches in the poorest part of the capital. The work undertaken there is similar to that done by the Sisters of the Good Shepherd.