

Charity No. 1001420

Money For Madagascar
Report and Financial Statements
25 September 2009

Money For Madagascar

Reference and Administrative Details

For the Year Ended 25 September 2009

Status	The organisation is a registered charity, registered on 7 January 1991.
Governing Document	The charity is constituted under a trust deed dated 10 November 1990.
Charity Number	1001420
Registered Office	Llwyncelyn Isaf Carregsawdde Llangadog SA19 9BY
Trustees	Stuart Cassie Mike Cherry Gwen Evans Theresa Haine Philip Jones (Retired November 2008) Bernadette King Timothy King Jan Kirby Chris Sewell Martin Wilkinson Stephen Wilkinson (Appointed November 2009)
Bankers	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
Independent Examiner	Alison Godfrey ACA Godfrey Wilson Ltd Chartered Accountants & Registered Auditors Unit 5.11 Paintworks Bath Road Bristol BS4 3EH

Money For Madagascar

Report of the Trustees

For the Year Ended 25 September 2009

The trustees present their report and the audited financial statements for the year ended 25 September 2009.

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 and amended in February 2009.

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

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.

Activities

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.

In setting our programmes we have regard to the Charity Commissioners' general advice on public benefit, and the Trustees always ensure that the programmes which they fund are in line with the charity's aims and objectives stated in the Trust deed and as outlined above.

Money For Madagascar

Report of the Trustees

For the Year Ended 25 September 2009

Achievements & Performance

We have sent almost £175,000 to Madagascar in the past year. We monitor performance by means of written reports from the project leaders and through annual visits by one or more 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.

Early in the year MDF (formerly FAP) made its own arrangements for the transfer of funds. Taking this into account our income is broadly in line with the previous year, when comparing like with like.

As reported last year, the Trustees committed a significant portion of their reserves to compensate long term projects affected by the devaluation of sterling and indeed spent noticeably more than their income.

We have worked to rectify this position and this action has enabled us to go a long way to restore our reserves. It has, however, resulted in our sending fewer grants in the current year.

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 has presented both ourselves and our partners with problems. The trustees have agreed to continue 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. Fortunately the exchange rate is now turning in our favour but 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

In respect of our unrestricted programme the Trustees believe it prudent to aim to hold £35K in reserves to cover the costs of salary and long term projects for six months should all donations cease abruptly. At 25 September 2009 unrestricted funds were £37K.

For Akany Avoko, given the nature of the institution and that it provides for a significant number of children and staff, 12 months' funding should be held in reserve. This amounts to £100K which is currently in place for this purpose.

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. Any new direction to the work will depend 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 2009

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.

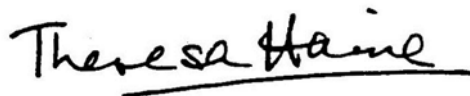
The Trustees

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 20 March 2010 and signed on their behalf by:



Theresa Haine - trustee

Independent Examiner's Report

To the Trustees of

Money For Madagascar

I report on the accounts of the charitable trust for the year ended 25 September 2009, which are set out on pages 6 to 14.

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 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 Commission. 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.

Alison Godfrey ACA

GODFREY WILSON LIMITED

Unit 5.11 Paintworks
Bath Road
Bristol
BS4 3EH

Money For Madagascar

Statement of Financial Activities (Incorporating an Income and Expenditure Account)

For the Year Ended 25 September 2009

	Note	Restricted £	Unrestricted £	2009 Total £	2008 Total £
Incoming Resources					
<i>Incoming Resources From Generated Funds:</i>					
Voluntary Income		141,416	106,307	247,723	354,527
Merchandise Sales		-	1,626	1,626	1,256
Investment Income		210	2,111	2,321	5,374
<i>Other Incoming Resources</i>		-	79	79	424
Total Incoming Resources		<u>141,626</u>	<u>110,123</u>	<u>251,749</u>	<u>361,581</u>
Resources Expended					
<i>Costs of Generating Funds:</i>					
Costs of Generating Voluntary Income		-	-	-	1,818
Merchandise Costs		-	-	-	29
Charitable Activities		146,690	49,865	196,555	345,206
Governance Costs		-	2,350	2,350	2,597
Total Resources Expended	2	<u>146,690</u>	<u>52,215</u>	<u>198,905</u>	<u>349,650</u>
Net (Outgoing) / Incoming Resources Before Transfers		(5,064)	57,908	52,844	11,931
Gross Transfers Between Funds	11	<u>21,195</u>	<u>(21,195)</u>	-	-
Net Movement in Funds		16,131	36,713	52,844	11,931
Reconciliation of Funds					
Total Funds Brought Forward		<u>143,024</u>	<u>417</u>	<u>143,441</u>	<u>131,510</u>
Total Funds Carried Forward		<u>159,155</u>	<u>37,130</u>	<u>196,285</u>	<u>143,441</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.

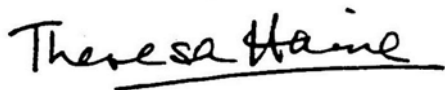
Money For Madagascar

Balance Sheet

As at 25 September 2009

	Note	£	2009 £	2008 £
Fixed Assets				
Tangible Assets	7		716	955
Current Assets				
Stock		130		120
Debtors	8	19,385		17,362
Cash at Bank and in Hand		<u>181,885</u>		<u>129,230</u>
		201,400		146,712
Creditors: Amounts Falling Due Within 1 Year	9	<u>5,831</u>		<u>4,226</u>
Net Current Assets			<u>195,569</u>	<u>142,486</u>
Net Assets			<u>196,285</u>	<u>143,441</u>
Funds	10, 11			
Restricted Funds			159,155	143,024
Unrestricted Funds: General Funds			<u>37,130</u>	<u>417</u>
Total Funds			<u>196,285</u>	<u>143,441</u>

Approved by the trustees on 20 March 2010 and signed on their behalf by:



Theresa Haine - trustee

Money For Madagascar

Notes to the Financial Statements

For the Year Ended 25 September 2009

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	2.11%
Akany Avoko	53.10%
MDF	5.82%
La Source	2.28%
Cyclone Relief	2.99%
Association Ketsa	1.45%
Isotry Centre	6.90%
Unrestricted	25.35%

- 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 2009

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.

2. Resources Expended

	Charitable Activities £	Governance Costs £	2009 Total £	2008 Total £
Fundraising Costs	-	-	-	1,818
Merchandise Costs	-	-	-	29
Grants Payable to Partners (Note 3)	174,682	-	174,682	324,334
Staff Costs	15,195	-	15,195	13,053
Travel & Subsistence	1,807	-	1,807	1,506
Communications Costs	3,162	-	3,162	1,654
Secretarial Support	200	-	200	748
Bank Charges	30	-	30	10
Printing, Photocopying & Stationery	1,128	-	1,128	3,455
Audit, Accountancy & Professional	65	2,350	2,415	2,597
Depreciation	239	-	239	319
Miscellaneous Costs	47	-	47	127
Total	<u>196,555</u>	<u>2,350</u>	<u>198,905</u>	<u>349,650</u>

Money For Madagascar

Notes to the Financial Statements

For the Year Ended 25 September 2009

3. Grants Payable

	Restricted £	Unrestricted £	2009 £	2008 £
Madagascar Development Fund (MDF)	10,161	-	10,161	125,696
Akany Avoko Children's Home	92,755	-	92,755	88,334
SAF	-	35,678	35,678	50,273
Association Sandratra	-	-	-	26,684
Association ALF	-	7,065	7,065	11,190
Isotry Centre	12,057	-	12,057	7,735
Sisters of the Good Shepherd	3,693	-	3,693	5,555
La Source	3,978	-	3,978	3,775
Ecole Imboasalama	-	-	-	3,609
Ketsa Soa Fianatra	2,539	-	2,539	1,483
Collège Descartes	-	-	-	-
Cyclone Relief	5,229	-	5,229	-
Behoririka	-	1,529	1,529	-
	<u>130,411</u>	<u>44,271</u>	<u>174,682</u>	<u>324,334</u>

4. Net Movement in Funds

This is stated after charging:

	2009 £	2008 £
Depreciation	239	319
Trustees' Indemnity Insurance	Nil	Nil
Trustees' Reimbursed Expenses	1,807	1,506
Trustees' Remuneration	Nil	Nil
Auditors' Remuneration:		
▪ Accounts Preparation	1,998	1,998
▪ Independent Examination	352	352
▪ Other Services (Payroll & Consultancy)	65	247
	<u>1,998</u>	<u>1,998</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 2009

5. Staff costs

Staff costs were as follows:

	2009	2008
	£	£
Salaries and Wages	13,699	11,929
Social Security Costs	<u>1,496</u>	<u>1,124</u>
	<u>15,195</u>	<u>13,053</u>
No employee earned more than £60,000 during the year.		
Average number of employees (full-time equivalent)	<u>0.85</u>	<u>0.54</u>

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
	£
Cost	
At 26 September 2008	1,464
Additions	<u>-</u>
At 25 September 2009	<u>1,464</u>
Depreciation	
At 26 September 2008	509
Charge for the Year	<u>239</u>
At 25 September 2009	<u>748</u>
Net Book Value	
At 25 September 2009	<u>716</u>
At 25 September 2008	<u>955</u>

Money For Madagascar

Notes to the Financial Statements

For the Year Ended 25 September 2009

8. Debtors

	2009	2008
	£	£
Gift Aid Recoverable	19,234	16,364
Accrued Bank Interest	151	998
	<u>19,385</u>	<u>17,362</u>

9. Creditors : Amounts Due Within 1 Year

	2009	2008
	£	£
Accruals	2,350	2,350
Other Creditors	3,481	1,876
	<u>5,831</u>	<u>4,226</u>

10. Analysis of Net Assets Between Funds

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Tangible Fixed Assets	-	716	716
Current Assets	159,155	42,245	201,400
Current Liabilities	-	(5,831)	(5,831)
Net Assets at 25 September 2009	<u>159,155</u>	<u>37,130</u>	<u>196,285</u>

Money For Madagascar

Notes to the Financial Statements

For the Year Ended 25 September 2009

11. Movements in Funds

	At 26 September 2008 £	Incoming Resources £	Outgoing Resources £	Transfers Between Funds £	At 25 September 2009 £
Restricted Funds					
Akany Avoko	138,640	121,958	(104,334)	-	156,264
MDF	-	6,500	(11,430)	4,930	-
Sisters of the Good Shepherd	-	2,476	(4,153)	1,677	-
Sisters' Surgery Fund	1,561	663	-	-	2,224
La Source	-	1,678	(4,475)	2,797	-
Cyclone Relief	2,208	3,725	(5,881)	-	52
Association Ketsa	-	2,535	(2,855)	320	-
Ambohimanga Schools	615	-	-	-	615
Isotry Centre	-	2,091	(13,562)	11,471	-
Total Restricted Funds	143,024	141,626	(146,690)	21,195	159,155
Unrestricted Funds					
General Funds	417	110,123	(52,215)	(21,195)	37,130
Total Unrestricted Funds	417	110,123	(52,215)	(21,195)	37,130
Total Funds	143,441	251,749	(198,905)	-	196,285

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.
Madagascar Development Fund (MDF)	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 2009

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.
Cyclone Relief	Cyclone Relief is a fund set up following two severe cyclones in 2009. Money has been raised to renovate a hospital that was largely destroyed and to distribute food to cyclone victims.
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.