

Charity number: 1139160
Company number: 06972024
(England and Wales)

SALTMALAWI TRUST

Report of the Trustees and Unaudited Financial Statements

For the year ended 31 December 2017

SALTMALAWI TRUST
Contents Page
For the year ended 31 December 2017

Report of the Trustees	1 to 3
Independent Examiner's Report to the Trustees	4
Statement of Financial Activities	5
Statement of Financial Position	6
Notes to the Financial Statements	7 to 10

SALTMALAWI TRUST
Report of the Trustees
For the year ended 31 December 2017

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the charitable company for the year ended 31 December 2017. The Trustees have adopted the provisions of 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 the Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

During 2017 the church planting, missionary and relief work in Malawi has continued to be encouraging with over 30 operational churches across a wide geography and a programme of orphan care, agriculture methods and support for the poor and vulnerable. This work is undertaken through a local trust with Malawian trustees.

Salt Malawi is a grant making charity which supports defined projects. Through a process of grant application and review, funds are provided on a project-by-project basis and evidence of satisfactory completion is gathered.

The trustees recognise that the funds held at the end of this period continue to be relatively high. This partly reflects the way a grant making charity must operate, accumulating funds before making grants. This year has seen the construction of a second missionary house. Provision has been made for the anticipated costs of the Joseph Project. This is in line with the reserves policy adopted by the trustees.

The continuing review of the charity's administration has now seen the professional (rather than volunteer) book-keeping and accounting successfully in operation for a full financial year. A minutes-secretary has been appointed who records and documents all trustee meetings. The storage of all records is handled as an electronic repository with controlled access.

Salt Malawi continues to be a subscribing member of Global Connections as part of a drive to adopt best practice and to be able to draw on a wider network of experience. Salt Malawi is also a member of AFVS (Advice for the Voluntary Sector).

A register of Trustees' interests is held to ensure that there are no conflicts of interest. This is updated annually. The Trustees have a clear procedure that if there is a potential conflict of interest on any matter, the Trustee with the potential conflict of interest is asked to leave the room and takes no part in the debate or decision. The trustees have reviewed and state that there is no Person of Significant Control. No Trustee receives any form of remuneration, other than the reimbursement of expenses.

2017 saw the appointment of two new trustees, Mr Evan Winter and Dr Chris Sansom, each of whom brought valuable professional skills and first hand Malawi experience to the team. Mr David Eastham stepped down from the trust but continues to advise on matters of international shipping.

Communication of what is happening on the ground continues to be through the regular newsletter and through the web site and a prayer cascade.

The volunteer couple (Jacobs) who joined the work at the start of 2017 were able to stand-in and successfully maintain the work for eight months while the Lotts returned to UK for a sabbatical. In all the Jacobs completed 12 months on-site including overseeing the construction of a new house on the Dedza farm. Sadly it wasn't possible to reconcile differences of approach and they have returned to UK.

During this period many churches outgrowing their original temporary structures and constructed new permanent buildings. Some new church plants matured to the point of being allocated land upon which to build and establish their churches. Church Planting increasingly results from established churches reaching out to villages in their own locations, with the missionary in support rather than necessarily being the driving force behind the outreach. A highlight of the year was the visit by a retired GP and a retired Midwife from UK to hold 3 days of much needed medical clinics in the villages where they were able to see and help around 250 villagers with medical advice and medicines. Prolonged dry periods and increasing water shortages has also necessitated the early purchase and storage of up to 40 Tonnes of maize in readiness for distribution by the churches later this year when food shortages will be at their peak. Poor harvests and the water shortages have required the mercy groups to continue to manage food-aid distribution to vulnerable families.

Key to the sustainability of the work is the development of local leadership. There are both encouragements and set backs in this journey. Regular teaching conferences for church leaders have been supported with UK visitors assisting with the teaching.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives. The charity operates within Malawi and this is the region where most of the public benefit can be seen. Very regular reports from the field help the trustees review and evaluate the impact they have had. As orphans are cared for, vulnerable people are fed, people trained in better farming techniques and some employment offered there is the relief of poverty with significant groups of people seeing their standard of living improve. In addition, as the Christian message is taught, people come to faith, churches are established and communities transformed. The Trustees consider that people coming to Christian faith is also a public benefit. The work on the ground in Malawi is not however the only public benefit. There is evidence of lives changed where people from the UK have travelled to support and participate in the work.

SALTMALAWI TRUST
Report of the Trustees Continued
For the year ended 31 December 2017

REFERENCE AND ADMINISTRATIVE INFORMATION

Name of Charity	SALTMALAWI TRUST
Charity registration number	1139160
Company registration number	06972024
Principal address	Lion Hill Cottage, Station Road, Claverdon Warwickshire CV35 8PE

Trustees

The trustees and officers serving during the year and since the year end were as follows:

Mr Brian Donner
Mr David Eastham (resigned Dec 2017)
Mr Ian Furlong
Mr Malcolm Franks
Mr Philip Hanson
Mr Philip John Clayfield (deceased Mar 2018)
Mr Stephen James Dorey
Mr Evan Winter
Dr Christine Samson (resigned Apr 2018)

Independent examiners

Andrew Alli ACMA
KARE Financial Management Consultants Ltd
38 Sherwood Road, North Bersted
Bognor Regis
West Sussex
PO22 9DR

Bankers

Lloyds TSB

Approved by the Board of Trustees and signed on its behalf by

30th June 2018

Mr. Philip Hanson.....

SALTMALAWI TRUST
Independent Examiners Report to the Trustees
For the year ended 31 December 2017

I report to the trustees on my examination of the accounts of the charitable company for the year ended 31 December 2017.

Responsibilities and basis of report

As the charity Trustees, who are also directors for the purposes of company law, are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiners statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Andrew Alli ACMA
KARE Financial Management Consultants Ltd
38 Sherwood Road, North Bersted
Bognor Regis
West Sussex
PO22 9DR

30th June 2018

SALTMALAWI TRUST
Statement of Financial Activities (including Income and Expenditure Account)
For the year ended 31 December 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 £	2016 £
Income and endowments from:					
Charitable activities	2	26,521	26,447	52,968	52,877
Investments	3	19	-	19	-
Total		26,540	26,447	52,987	52,877
Expenditure on:					
Charitable activities	4	(14,100)	(37,793)	(51,893)	(35,334)
Total		(14,100)	(37,793)	(51,893)	(35,334)
Net income/expenditure		12,440	(11,346)	1,094	17,543
Reconciliation of funds					
Total funds brought forward		71,863	52,974	124,837	107,294
Total funds carried forward		84,303	41,628	125,931	124,837

SALTMALAWI TRUST
Statement of Financial Position
As at 31 December 2017

	Notes	2017 £	2016 £
Current assets			
Debtors	6	2,605	-
Cash at bank and in hand		123,951	125,237
		126,556	125,237
Creditors: amounts falling due within one year			
	7	(625)	(400)
Net current assets			
		125,931	124,837
Total assets less current liabilities			
		125,931	124,837
Net assets			
		125,931	124,837
The funds of the charity			
Restricted income funds	8	41,628	52,974
Unrestricted income funds	8	84,303	71,863
Total funds			
		125,931	124,837

For the year ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statement were approved and authorised for issue by the Board and signed on its behalf by:

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Mr Philip Hanson
Trustee

30th June 2018

SALTMALAWI TRUST
Notes to the Financial Statements
For the year ended 31 December 2017

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets and in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

SALTMALAWI TRUST meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

2. Income from charitable activities

	Unrestricted funds	Restricted funds	2017	2016
	£	£	£	£
Donations	19,690	-	19,690	26,537
Gift aid tax refunds	6,831	-	6,831	-
	26,521	-	26,521	26,537
Joseph Project	-	18,829	18,829	16,376
Lotts Personal	-	1,433	1,433	2,607
Mission Fund	-	5,145	5,145	3,950
Building Project	-	-	-	2,587
Education	-	40	40	720
Holloways Personal	-	-	-	100
Jacobs Personal	-	1,000	1,000	-
	26,521	26,447	52,968	52,877

SALTMALAWI TRUST
Notes to the Financial Statements Continued
For the year ended 31 December 2017

3. Investment income

	2017	2016
	£	£
Unrestricted funds		
Bank interest receivable	19	-
	<u>19</u>	<u>-</u>

SALTMALAWI TRUST
Notes to the Financial Statements Continued
For the year ended 31 December 2017

4. Costs of charitable activities by fund type

	Unrestricted funds	Restricted funds	2017	2016
	£	£	£	£
Joseph Project				
Cost of direct charitable activity	-	11,600	11,600	30,000
	-	11,600	11,600	30,000
Lotts Personal				
Cost of direct charitable activity	-	15,081	15,081	2,754
	-	15,081	15,081	2,754
Building Project				
Cost of direct charitable activity	-	7,136	7,136	-
	-	7,136	7,136	-
Business Development				
Cost of direct charitable activity	-	150	150	-
	-	150	150	-
Education				
Cost of direct charitable activity	-	1,885	1,885	-
	-	1,885	1,885	-
Blanket Appeal				
Cost of direct charitable activity	-	100	100	-
	-	100	100	-
Holloways Personal				
Cost of direct charitable activity	-	1,841	1,841	-
	-	1,841	1,841	-
Administration and overhead				
Travelling Expenses	1,562	-	1,562	1,620
Maintenance	-	-	-	100
General Expenses	-	-	-	300
Charitable expenditure	6,293	-	6,293	-
Internet	14	-	14	-
Membership subscription fees	275	-	275	-
Health Insurance	3,833	-	3,833	-
Bank Charges	112	-	112	70
Professional Fees	-	-	-	90
IT Software and consumables	218	-	218	-
	12,307	-	12,307	2,180
Support costs				
Governance costs				
Bookkeeping and independent examination fees	1,793	-	1,793	400
	1,793	-	1,793	400

SALTMALAWI TRUST
Notes to the Financial Statements Continued
For the year ended 31 December 2017

14,100	37,793	51,893	35,334
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5. Analysis of support costs

	2017	2016
	£	£
Bookkeeping and Independent examination fees	1,793	400

6. Debtors

	2017	2016
	£	£
Amounts due within one year:		
Other debtors	2,605	-
	2,605	-

7. Creditors: amounts falling due within one year

	2017	2016
	£	£
Other creditors	225	-
Independent examination fees	400	400
	625	400

8. Movement in funds

Unrestricted Funds

	Balance at 01/01/2017	Incoming resources	Outgoing resources	Balance at 31/12/2017
	£	£	£	£
General	71,863	26,540	(14,100)	84,303
	71,863	26,540	(14,100)	84,303

SALTMALAWI TRUST
Notes to the Financial Statements Continued
For the year ended 31 December 2017

Unrestricted Funds - Previous year

	Balance at 01/01/2016	Incoming resources	Outgoing resources	Balance at 31/12/2016
	£	£	£	£
General	47,906	26,537	(2,580)	71,863
	47,906	26,537	(2,580)	71,863

Restricted Funds

	Balance at 01/01/2017	Incoming resources	Outgoing resources	Balance at 31/12/2017
	£	£	£	£
Blanket Appeal	100	-	(100)	-
Building Fund	7,136	-	(7,136)	-
Business Development	150	-	(150)	-
Education	1,845	40	(1,885)	-
Holloways Personal	1,841	-	(1,841)	-
Jacobs Personal	-	1,000	-	1,000
Joseph Project	15,615	18,829	(11,600)	22,844
Lotts Personal	14,358	1,433	(15,081)	710
Mission Fund	11,929	5,145	-	17,074
	52,974	26,447	(37,793)	41,628

Restricted Funds - Previous year

	Balance at 01/01/2016	Incoming resources	Outgoing resources	Balance at 31/12/2016
	£	£	£	£
Blanket Appeal	100	-	-	100
Building Fund	4,549	2,587	-	7,136
Business Development	150	-	-	150
Education	1,125	720	-	1,845
Holloways Personal	1,741	100	-	1,841
Joseph Project	29,239	16,376	(30,000)	15,615
Lotts Personal	14,505	2,607	(2,754)	14,358
Mission Fund	7,979	3,950	-	11,929
	59,388	26,340	(32,754)	52,974