

MEDICAL AID TO GALLE
Registered Charity Number:
1108599

REPORT AND ACCOUNTS

31 DECEMBER 2007

MEDICAL AID TO GALLE

Registered Charity Number:
1108599

REPORT AND ACCOUNTS

31 DECEMBER 2007

INDEX

Contents	Page
Report of the Trustees	2 – 5
Trustees' Responsibilities	6
Receipts and Payments	7
Balance Sheet	8
Notes to the Accounts	9 – 10
Report of the Independent Examiner	11

MEDICAL AID TO GALLE (MAGE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2007

Registered Number : 1108599

The trustees present their report and the audited financial statements of the charity for the period ended 31 December 2007.

Historical background

MAGE was established in January 2005 as a response to the Tsunami disaster on the 26th December 2004. It received its charitable status in England on 15th March 2005.

Principal activity

The aim of the charity is to improve health, welfare and education in Galle, Sri Lanka and the surrounding area.

Registered Address

34 Birch Grove
London W3 9SS
Telephone: 020 8993 0290
Website: www.mageuk.org email: Michael-mars@msn.com

Trustees

Dr Michael Mars (Chairman)
Mr Christopher Rocker (Secretary)
Dr Tony Sirimanna (Treasurer)
Dr Debbie Sell OBE
Mr Patrick Foster
Ms Alison Wisbeach

Independent Examiner

Mr Stephen Godfrey
Godfrey Anderson & Co.,
Chartered Accountants
6 Latchmoor Way
Gerrards Cross
Bucks SL9 8LP

Bankers

Bank of Ceylon
1 Devonshire Square
London EC2M 4WD

Organisational structure

The trustees who held office during the financial year and at the date of this report are set out above. The trust deed allows for up to 10 trustees to be appointed, who serve until they resign or are no longer capable of performing their responsibilities.

../Continued

MEDICAL AID TO GALLE (MAGE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2007

The current trustees represent a combination of medical and financial expertise. Four of the Trustees – Michael Mars, Debbie Sell, Tony Sirimanna and Alison Wisbeach work at the Great Ormond Street Hospital for Children in London and represent the link with Galle. Over the past 20 years their work has focused on the development of cleft lip and palate services and a national speech and language therapy training programme in Galle, Colombo and Kandy, Sri Lanka and a national speech and language therapy training programme based in Colombo. Patrick Foster and Chris Rocker are financial professionals coming from brokerage and banking backgrounds. There have been no changes to the number or identity of the MAGE Trustees during 2007

MAGE functions on a consensus decision making basis and is managed by the Chairman, Michael Mars. Chris Rocker serves as Secretary and Tony Sirimanna as Treasurer. The Charity has no full time employees and each of the Trustees serve on a voluntary basis without compensation.

MAGE meets approximately once a month and minutes are produced by the secretary or a designate for each meeting. All meetings are held at Great Ormond Street. The meetings serve as a discussion forum for current and future projects, as well as for the identification of sources of funding. There are no additional meetings or sub committees.

Funding to date has been exclusively from the private sector, either in the form of donations from individuals or from the corporate sector. In the past individual donations were for the most part associated with the staff of the Great Ormond Street Hospital. During the past year we have been successful in attracting substantial donations from wealthy individuals from a variety of backgrounds. Corporate donations have been the focus of further efforts by the trustees and, as well as maintaining commitments from our donors from 2005, we have been able to generate interest from a number of new, principally City sources. During 2006 we were fortunate enough to turn that initial interest into positive financial contributions which continued in 2007.

The Trustees work closely with a network of medical and academic professionals in Galle who are well known to the MAGE Trustees from Great Ormond Street as the result of their work in Sri Lanka. Principal among these individuals are Dr. Nanayakkara, President of the Sri Lanka Dental Association, Professor Mendis, Chairman of the University Grants Commission and Professor Ariyananda, Dean of Medial Faculty at the University of Ruhuna, Galle. Projects are developed with this advisory group and use local resources to the maximum extent possible.

Risk management

All projects are subject to review and approval by the Trustees and by relevant members of the Sri Lankan advisory team before initiation. The principal risk is the misappropriation or misuse of funds allocated to a project. This risk is mitigated by the close involvement of trusted local advisors and the use of local resources nominated by the advisory team and well known to them. It is the many years of experience with leading members of the community in Galle that enables Mage to conduct its affairs in such a way as to achieve its aims and objectives in an efficient and timely manner.

Risk management is also assisted by regular reports to the Trustees on the status of the various projects by those involved in Sri Lanka, the physical presence of one or more of the Trustees in Sri Lanka at least twice a year, and the regular presentation of the accounts to the Trustees by the Treasurer at the monthly meetings. The accounts are also inspected annually by an independent examiner.

../Continued

MEDICAL AID TO GALLE (MAGE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2007

Objectives of the charity

MAGE is an international non-governmental non-political non-religious organization. It is constituted under a trust deed dated 15th March 2005 and is registered with the Charity Commission under number 1108599. The Trust Deed Defines the Charity's Objectives as:

To improve health, welfare and education in Galle and the surrounding area

Specific focus during 2007 has been on public health, enhancing the welfare of young people, and on assistance to schools.

Activities during the financial year

Public Health

The Field and Teaching Hospital that was donated by MAGE in March 2005 has been fully operational since that time. During 2007 MAGE was able to fund further medical equipment for the hospital, including audiovisual teaching aids, a skills laboratory and a Urodynamic Assessment Unit. Funding for this equipment came from World Jewish Relief and the Wolfson Foundation. These facilities have been helpful in reducing hospital admissions into limited ward space, and have led to both improved patient care as well as better medical training for doctors.

During 2007 MAGE became involved with the Senehasa Children's Centre, which caters for children with disabilities. The Centre is sponsored by local medical staff, being the only facility of its kind in Galle and the surrounding area. During 2007 MAGE funded the building of a perimeter fence in order to keep the children safe and to stop unwanted visits from the many stray dogs in the area. During the year the Centre has increased its enrolment from 400 to 500.

Young Peoples' Welfare

MAGE has worked in conjunction with the University Grants Commission to provide scholarships for medical and other students who had lost one or both parents in the tsunami. We also provided funding for books and equipment for those who had lost their belongings due to the events of December 2004. We continue to provide financial support for over 50 students who lost one or both parents in the tsunami.

Education

During a visit to Sri Lanka in May 2005, a number of the Trustees met with the sponsor of the PIN Trust, a local Charity focused on children's education. The individual involved has donated his family home for a kindergarten after the original building was destroyed by the flood. In order to accommodate increasing demand a larger classroom was built and opened in January 2006. MAGE continues to fund staff salaries for the school

MAGE has also donated funds to the One Trust, a local Charity, sponsored by Cargills, a major Sri Lankan corporation. Cargills' aim is to find partners to fund and facilitate the restoration of local education. During 2006 Mage successfully funded the provision of a computer centre to a school in Hambantota, with funds in part provided by 2 UK schools. Unfortunately the Ambalangada school playing field project which was started in 2005 has not been completed to our satisfaction and we continue to work with those involved locally to bring this project to a positive conclusion.

../Continued

MEDICAL AID TO GALLE (MAGE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2007

Financial review

Results

The results for the period are set out in the receipts and payments account on page 7 and the notes to the accounts on pages 9 and 10.

Investment Powers and Policy

In accordance with the Articles of The Trust, the Trustees have the power to invest surplus funds for future projects. The trustees have adopted a safe strategy with surplus funds being held on a 7 day call deposit account.

Plans for the future

Public Health:

MAGE's principal project for 2007 was the building of a replacement student hostel at the hospital in Galle to replace the facility destroyed in 2004. Fundraising for this project began in 2006 with the aim of attracting total donations of £325,000. By mid 2007 we had successfully generated sufficient donations to cover the full cost of the project and construction is now under way.

We will continue our support of the Senhasa Trust and will look to cover their full operating costs for 2008.

We have also been asked to fund additional clinical training for the Speech and Language Therapy Department of the University of Keleniya

Young Peoples' Welfare

MAGE will renew its commitment to fund scholarships for individual needy students.

Education

MAGE intends to deepen its involvement with the One Trust and the many schools that need renovation. We will also support the work of the PIN Trust.

Reporting accountant

The independent examiner, Stephen Godfrey of Godfrey Anderson & Co, has indicated his willingness to continue in office and in accordance with the provisions of the Companies Act 1985 it is proposed that he be re-appointed for the coming year.

This report was approved by the Trustees on 20th April 2009 and signed on its behalf.

By order of the Trustees:

34 Birch Grove
London
W3 9SS

.....
Chris Rocker
Secretary, MAGE
Trustee

MEDICAL AID TO GALLE (MAGE)

TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Law applicable to charities in England and Wales requires the trustees to prepare financial statements which give a true and fair view of the state of affairs of the Charity as at the end of its financial year and of its financial position at the end of the year.

The trustees consider that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of the financial statements and that applicable accounting standards have been followed. In addition the statements have been prepared on a going concern basis.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the applicable law.

The trustees are also responsible for taking reasonable steps to safeguard the Charity's assets and to prevent and detect fraud and other irregularities.

Investment powers and policy

In accordance with the articles of the charity the Trustees have the power to invest surplus funds. It is the policy of the Trustees to invest surplus funds in a bank or building society providing the best rate of return.

MEDICAL AID TO GALLE (MAGE)

RECEIPTS AND PAYMENTS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2007

	<u>Note</u>	<u>2007</u>	<u>2006</u>
		£	£
Receipts			
Donations		216,364	91,661
Tax Relief		-	-
Interest receivable		2,501	1,622
		-----	-----
Total Receipts		218,865	93,283
		-----	-----
Payments			
Direct Charitable Expenditure	5	49,909	111,274
Fund Raising and Publicity		26,532	4,362
Management and Administration	5	235	381
		-----	-----
		76,676	116,017
		-----	-----
Net Movement in Funds	6	142,189	22,734
		=====	=====

The notes on pages 9 and 10 form part of these accounts.

MEDICAL AID TO GALLE (MAGE)

BALANCE SHEET AS AT 31 DECEMBER 2007

	Note	2007	2006
		£	£
Current Assets			
Cash at bank and in hand		39,472	6,614
Deposit at bank		<u>211,953</u>	<u>102,622</u>
		251,425	109,236
Creditors –			
Amounts falling due within one year	4	<u>-</u>	<u>(352)</u>
Net current assets		<u>251,425</u>	<u>108,884</u>
Total assets less current liabilities		<u>251,425</u>	<u>108,884</u>
Net assets		<u>251,425</u>	<u>108,884</u>
Reserves			
Restricted funds		-	-
Unrestricted funds	6	<u>251,425</u>	<u>108,884</u>
Total funds		<u>251,425</u>	<u>108,884</u>

The financial statements were approved by the Trustees on 20th April 2009 and signed on its behalf.

.....
Tony Sirimanna
Treasurer

The notes on pages 9 to 10 form part of these financial statements

MEDICAL AID TO GALLE (MAGE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007

1. Accounting policies

Accounting Convention

These accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) and the Companies Act 1985 and follow the recommendations in Accounting and Reporting by Charities Statements of Recommended Practice (October 2000).

Incoming Resources

Incoming resources are reported gross.

Grants Receivable

Grants are recognised when received.

Commitments

No commitments have been made by the Trustees that need to be reported.

2. Trustees' emoluments

The trustees received nil remuneration in the period under review.

3. Taxation

The Charity is exempt from Corporation Tax.

4. Creditors - amounts falling due within one year

	2007	2006
	£	£
Accruals and other creditors	<u>-</u>	<u>352</u>

MEDICAL AID TO GALLE (MAGE)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2007 (cont)

5. Resources expended	2007	2006
	£	£
Direct charitable expenditure		
Equipment for Galle	5,326	95,222
Medical student hospital	30,950	-
Supervision expenses	3,541	9,479
Medical student aid	-	2,573
	-----	-----
	39,817	107,274
	=====	=====
Donations		
Senehasa	5,065	-
People in Need	5,027	-
Cleft Lip and Palate of Sri Lanka	-	4,000
	-----	-----
	10,092	4,000
	=====	=====
Total	49,909	111,274
	=====	=====
Management and administration costs		
Printing and presentation	178	-
Fund raising	1,124	
Consultancy and publicity	25,230	4,362
	-----	-----
Sub total	26,532	4,362
	-----	-----
Bank charges	-	28
Audit Fee	235	353
	-----	-----
Sub total	235	381
	-----	-----
Total	26,767	4,743
	=====	=====
6. Reconciliation of Movements in Reserves	Unrestricted	Restricted
	£	£
Opening Reserves at 1 January 2007	109,236	-
Net incoming/(Outgoing) for The period	142,189	-
	-----	-----
Closing reserves at 31 December 2007	251,425	-
	=====	=====

MEDICAL AID TO GALLE (MAGE)

REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF MEDICAL AID TO GALLE (Charity number: 1110661) ON THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2007 SET OUT ON PAGES 7 TO 10

Respective responsibilities of trustees and examiner

The Charity's Trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act)) as amended by s.28 of the Charities Act 2006) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts (under section 43 of the Act as amended);
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the Act, as amended); and
- To state whether particular matters have come to my attention

Basis of independent examiner's statement

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 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 accounts.

Independent examiner's statement

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

1. Gives me reasonable cause to believe that, in any material respect, the trustees have not met the requirements to ensure that:
 - Proper accounting records are kept (in accordance with section 41 of the Act) ; and
 - Accounts are prepared which agree with the accounting records and comply with the accounting requirements of the Act; or
2. To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

STEPHEN GODFREY
GODFREY ANDERSON & CO
Chartered Accountants
6 Latchmoor Way
Gerrards Cross
Buckinghamshire
SL9 8LP

20th April 2009