

Charity No. 1001420

Money for Madagascar
Report and Audited Financial
Statements
30 September 2023

Money for Madagascar

Reference and administrative details

For the year ended 30 September 2023

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	Langthwaite House Langthwaite Road Quernmore Lancaster LA2 9EB
Trustees	Felicity Jones - Chair Eifion Griffiths - Treasurer Vao Brown Theresa Haine Bernadette King Timothy King Jan Kirby Simon Kirby Jerry Langford David Pottinger Micheline Ravolonarisoa Stephen Wilkinson
Principal staff	Irenee Rajaona-Horne
Bankers	National Westminster Bank Plc 23 Uplands Crescent Swansea SA2 0NY Virgin Money plc Jubilee House Gosforth Newcastle upon Tyne NE3 4PL
Investment managers	Succession Wealth Management Derriford Business Park Plymouth PL6 5FL
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

Money for Madagascar

Report of the trustees

For the year ended 30 September 2023

The trustees present their report and the audited financial statements for the year ended 30 September 2023.

Money for Madagascar (MfM) was founded in 1986 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.

Our vision

All communities in Madagascar living with dignity, free from poverty, in harmony with the environment.

Our mission

To enable Malagasy people to reduce poverty and protect the environment through sustainable, community-led initiatives.

Context

Madagascar currently ranks as the fifth poorest country in the world. It is well-known that developing countries including Madagascar are the hardest hit by the confluence of crises the world is facing. This in turn further increases their level of vulnerability. This is the case of Madagascar, one of the most vulnerable countries in the world, whose vulnerability is multifaceted and interdependent, ranging from food insecurity, climate change, fragile ecosystems and communities to political instability. This year has been marked by the end of the 5-year mandate of the President Andry Rajoelina and the country was due to hold a presidential election in November 2023.

According to the World Bank reports, weak economic growth combined with rapid population growth has resulted in Madagascar having one of the highest poverty rates in the world, reaching 75% of the population living in poverty in 2022 using the national poverty line. In early 2023, two severe tropical cyclones hit Madagascar, submerging many roads and flooding and destroying schools and health centres. Recent evidence indicates that repeated cyclones increased the poverty rate among affected households and the UN has declared these crises to be the result of climate change.

Inflationary pressures have intensified, with headline inflation increasing from 6.9% in June 2022 to 11.3% in June 2023. It peaked at 12.4% in March 2023 but decelerated to 10.8% in August 2023. Inflation is expected to remain at 10.5% in 2023 before moderating to around 8.5 % in 2024-25. According to the National Institute of Statistics, rising food and fuel prices eroded household purchasing power, exacerbating already high poverty levels, especially in urban areas.

This is the context in which we have been working this year with our partners in Madagascar, and we are particularly grateful to the many donors and partners who have adjusted their grant amounts and ways of giving in response to this challenging set of circumstances and rapid changes. It is also the context in which we have prioritised and accelerated our 10-year strategy with the urgency and focus that Madagascar and the Malagasy people need and deserve.

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Building our operational capacity to deliver

Set against context, this year has been a major reference point for Money for Madagascar as we begin to operationalise and implement our bold strategic vision for the next 10 years. This has been reflected in our finances and fundraising partnerships, our partnerships with international and Malagasy organisations, and our leadership structure - all of which are now aligned to reflect the ambition that strategy embodies. It is also reflected in our submission of a request for an accord de siege from the Malagasy government, which was due to be awarded for an initial three-year period in early 2024.

We end this financial year with income of over £1million for the first time, along with clear pathways to optimise and support our Malagasy partners to secure funding directly with our support, including our key Malagasy partner AMI with whom we are submitting joint bids. This is to be celebrated as the result of several years of clear and dedicated focus on building our capacity and credibility in funding from individuals and institutions - and we thank every one of our donors for their trust in the work of Money for Madagascar and our Malagasy partners. It is also a catalyst for us to take stock of that work to be the most effective organisation possible, and this year has been about putting our values as an organisation into action, building the foundations to be Malagasy-led and to build a collaborative global team dedicated to delivering the resources and support required to unlock the innovation and potential in the Malagasy communities we serve.

We do this in the spirit of collaborative and equitable leadership and decision-making, and conducted extensive consultation with the team in the UK and Madagascar - including in-person staff and Board meetings in April 2023 when the Board Chair and staff members travelled to spend time with Malagasy colleagues and to shape the shared vision for collaboration and Money for Madagascar as a global team. Following this, we ended the year by putting into action our decision to move to a model of co-CEOs reporting to a single Board. In the summer of 2023, our former Madagascar Country Director, Lova Rasaolinoro, was appointed to join our former Executive Director, Ireneé Rajaona-Horne, to become co-CEOs of our organisation. From this point on, they have shared leadership of the organisation internally and externally. It should be noted that this is not a 'job-share' with a single full-time role divided between two individuals. It is rather a model of active and collaborative leadership, which is increasingly recognised as best practice for diversity and strength in development organisations and enables us to benefit from their individual and collective commitment to participatory decision-making and advocacy for community-driven development for and in Madagascar. Ireneé and Lova jointly attended the programme on Small Charity Leadership Development, which was delivered by the Fair Development Collective who specialise in support to small international development charities and those seeking different power and leadership dynamics.

It is clear that MfM is now growing not only in size but most importantly in its new identity of becoming a global organisation and a role model with strong principles in the sector. This year we have made bold steps in delivering our new ambitious 10-year strategy. Change has happened at both our organisational structure and our operational work. Our programme work has evolved to gradually integrate the four key pillars which support our mission. Likewise, our structure has been strengthened to best reflect our values and objectives and drive MfM's growth.

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The first phase of recruitment is now launched, and we look forward with anticipation to establishing a larger, stronger team to help us deliver our ambitious new strategy. The positive impact of our work is expanding as we develop new strategic partnerships with both local and international organisations. This, in turn, is raising our profile and attracting further potential donors. Whilst joint efforts are still needed to put the pieces together in this exciting journey, we are confident that MfM is on the right track to making a real difference and achieving benefits for Madagascar equitably, effectively and at scale.

Money for Madagascar delivers public benefit by addressing the critical needs of vulnerable populations in Madagascar through targeted programmes and partnerships. Our initiatives focus on alleviating poverty, improving access to education and healthcare, and building resilient communities capable of withstanding environmental and economic challenges. Our efforts are guided by a commitment to transparency, accountability, and sustainability, ensuring that the support we provide leads to lasting positive change.

The trustees of Money for Madagascar have had regard to the Charity Commission's guidance on public benefit in carrying out their duties. They ensure that all activities and programmes are aligned with our charitable purposes and deliver tangible benefits to the communities we serve. Regular reviews and evaluations are conducted to assess the impact of our work and to make necessary adjustments to maximise public benefit.

Becoming a Malagasy-led organisation

We have also made strides over the course of this year to ensure that as an organisation, we increasingly focus on the languages in which we communicate internally and externally and in seeking to make global appointments with these capabilities. Both Co-CEOs, and many of the team in Madagascar, speak Malagasy, French and English, as do around one-third of the Board, with others fluent in two of the three languages. We are lucky to have several Welsh-speaking trustees, and other trustees who work in Wales, who are therefore used to multi-lingual working and commitment to equity through this.

We have shaped a recruitment strategy for three roles (two of which will form a new Global Senior Management Team with the co-CEOs). These are a Madagascar-based Head of Operations and a hybrid location for a new Head of Fundraising and Communications. The team will be supported by a UK-based Charity Manager, who will support both co-CEOs. We will target recruitment on Linked In and work with a Malagasy-based recruitment expert, who also provided staff facilitation during the April 2023 meetings.

In the meantime, we have been building a strategy to recruit to the Board with greater diversity and in particular with representation from Madagascar and the global Malagasy diaspora. We have also created a new Sub-Committee and Advisory Board structure outlined below. The addition of advisory Boards on Fundraising and Programme Development with reporting lines into the operational rather than governance structure open up these opportunities. We plan to launch recruitment through open application - using lessons learned about using Linked In for this through our current staff recruitment. This will explicitly be multi-lingual and targeted in Madagascar and to the global Malagasy diaspora.

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Organisational structure

We also agreed during the year to progress with a new Board, Sub-Committee and Advisory Board Structure. This has involved the creation of a new sub-committee reporting to the Board alongside the Finance & General Purposes Committee: the Human Resources and Wellbeing Committee. This is in recognition of the central importance of professionalising HR and communicating the centrality of this to our staff. It has also involved the restructuring of Programme Development from a Board sub-committee to an advisory group to the programme staff, and the creation of a new Fundraising advisory group to support the fundraising and finance teams. This is designed to bring in a broader range of expertise in these areas, which are key to our continued organisational development.

Organisational resilience

We also commissioned specialist external consultancy support to review Money for Madagascar's global risk and resilience and to provide a clear pathway of recommendations across all areas to ensure that we have the optimal systems and ways of working in place. Dale Spence of Genesis GRC has been working with the Chair and with key staff members to review the organisation and was scheduled to report on this by the end of December 2023.

Programme delivery

This report has focused a lot to this point on the practicalities of transition. This has been against the backdrop of increased scale and impact across our programmatic work - both direct and in partnership, supported by an expansion in fundraising and in turn driving the visibility of our work and that of our partners to others. We are particularly grateful to long-term supporters of our programming, to new institutional funders, and to the many individuals and community groups who have responded to the repeated media coverage of Madagascar's challenges to donate. This was recognised by the British Ambassador to Madagascar as a source of pride.

At a glance, impact highlights for the year are as follows:

- Over 19,000 direct beneficiaries supported through our programmes;
- 562 vulnerable children and young people provided with a package of care services;
- 70 schools supported with infrastructure, equipment, environmental education, teacher training, kitchen gardens, solar power and school canteens;
- 20 Education for Life schools have become sites for learning and production - with a total of 8,669 individuals forming empowered and dynamic school communities;
- 8,500 children provided with daily school lunches;
- Over 500 rural people with better access to clean energy for lighting;
- Over 32,000 trees planted to reforest 50 hectares;
- Around 2,500 rural people benefiting from financial services through new community-based saving groups;
- Over 6,000 farmers trained and adopting better agricultural techniques (dynamic agro-forestry); and
- 351 rural families being supported to recover from the impact of the severe cyclones.

Our strategy is underpinned by four key pillars: direct project delivery, grant-making to Malagasy community groups, capacity building for Malagasy teams and leaders, and advocacy to amplify community voices. We group these into four programmatic areas: Education for Life, Resilient Forests and Livelihoods, Vulnerable Children, and Disaster Response. It is to be noted that we have added the fourth area in response to the frequency with which Madagascar is hit by disasters and the response of donors to each disaster.

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Education for life

“Education spending in Madagascar is among the lowest worldwide and education outcomes have deteriorated over the last decade...with low school completion rates reaching levels below Sub-Saharan Africa and low-income countries, a high share of untrained teachers, and declining test scores”. (International Monetary Fund, June 2023)

For every 100 Malagasy children born, only 15 will go to pre-school, 76 to primary school, 27 to lower secondary and 13 to upper secondary. Among children aged 7 to 14, only 7% demonstrate basic skills in maths and 23% in reading. Moreover, due to the high cost of living, more families struggle to purchase school supplies for their children, contributing to school dropout rates.

Both the IMF and the World Bank recommended in their respective reports that sustained efforts are needed to support the needed investments in human capital. In particular, they highlighted the importance of boosting public school performance following the continued deterioration in learning outcomes and advocated for a set of reforms reinforcing teachers’ selection and evaluation, salary and school grant management, redress mechanism and local community engagement.

In response to this, our Education for Life (E4L) programme has been redesigned to rise to the increasing challenges of Madagascar’s education context. This year, we have updated our ‘theory of change’, whilst also delivering our integrated E4L programme. These improvements help us to attain our overall objectives: to improve educational outcomes, life skills, and resilience of children in rural Madagascar. We do this by:

- 1) Improving quality of teaching;
- 2) Improving access to quality education and increased capacity to learn; and
- 3) Increasing ability of school communities (teachers, parents, pupils) to support children’s education.

This year, MfM has supported at least 70 schools in 5 regions (Itasy, Vakinankaratra, Analamanga, Aloatra Mangoro and Melaky) to improve the educational outcomes, life skills, and resilience of children in rural Madagascar. 20 of these schools take part in our transformative Education for Life Programme, which aims to prove a model of community transformation and development. This year’s E4L programme is benefiting 5,569 schoolchildren, training over 150 teachers and 3,000 parents. Over 500 teachers and parents have been equipped with solar light library to support their children’s education at home. 2 bridges have been built to enable children in 2 valleys to safely access school during rainy season. One new school building has been built in Ambohidratrimo, and one school rehabilitated in Mahitsy to improve the pupils’ learning environment. Our ‘don’t quit - back to school campaign’ has prevented 343 pupils from 18 schools from quitting school due to parents’ inability to pay for their children’s fees. 148 out of 192 illiterate parents (70% women) successfully completed MfM’s ‘adult literacy for development’ programme and were certified by the Ministry of National Education. Moving testimonials of how literacy has changed the lives of these families can be seen on MfM’s Youtube channel.

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One of Education for Life's (E4L) foundational approaches is to transform schools into sites of learning and production. All the units and structures within each demonstration and productive site (school) have been installed to serve as means to improve children's health and nutrition by promoting sustainable agriculture, good hygiene and nutrition practices at schools and at home. This year, 54 functional worm composting units were set up in 10 schools to provide organic fertilizer for the kitchen garden. Over 300kg of organic fertilizer has been supplied to school kitchen gardens which yielded nearly 400kg of vegetables used for the school canteen. Hot meals are provided for 2,685 pupils during lean season (November 2022 to May 2023) from 2 to 5 times a week. A total of 466 trees (fruit trees, ornamental trees, essential oils) have been planted by the school communities in those 10 schools. Over 5,000 items to support WASH hygiene were distributed (toothbrushes, washable sanitary menstrual kits) to individual students, and facilities have been set up in schools to enhance hygiene practices.

Based on a comparative survey on national exam pass rates (end of primary cycle exam: CEPE), we are pleased to see the year-by-year improved educational outcomes in our E4L schools. Whilst the CEPE pass rates have barely increased at the regional level over 3 years, MfM schools have stood out to show an increase by 20% of their exam results between 2021 and 2023. This improvement is even more significant during the second year of the programme when most integrated activities are delivered. Moreover, absenteeism rates have decreased from 12.7% to 3% over the same period.

As part of the capacity building and advocacy pillars of MfM's new strategy, we have collaborated with a British association working in Madagascar, the Centre de Formation Robert MacGregor, which focuses on dynamic teaching methods to optimise student engagement. 77 teachers and head teachers as well as Government Education Employees from CISCO benefitted from this pilot training. Highly motivated to build trust, reputation and partnerships in order to expand the positive impact of our work, MfM has joined the Solar United consortium along with Feedback Madagascar, Seed Madagascar, Solar Aid and the social enterprise JiroVE to enhance clean energy access for school communities in 10 pilot schools this year. We are also strengthening our partnership with the Ministry of National Education through a partnership agreement and are engaging its regional and local representatives in the monitoring and evaluation process of the programme. We were also honoured by the first visit of the British Ambassador David Ashley to one of our schools and a meeting with the Malagasy Education Minister in London this year which helped us not only raise our profile at national and global level but also amplify the voices of our beneficiaries.

Mary's Meals: one of MfM's four strategic pillars is the direct delivery of programmes in communities. MfM's school feeding contract funded by Mary's Meals is an example of our direct delivery. This year is the second year of MfM's school feeding partnership with Mary's Meals International across 31 schools and 6 children's centres in the Itasy and Analamanga regions. In total, 3,948 children have been provided with nutritious daily school lunches. As an added value, parents have given their time and energy to set up kitchen gardens and build refectories to improve the feeding conditions within schools.

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Solar United Madagascar Consortium/Masaoandro: In addition, during 2023, MfM was invited to join a new collaborative programme to achieve major transformation in rural Malagasy communities through renewable energy access, digital learning and teacher training to transform education, the creation of green skills and livelihoods and broader impacts in health and security. The Solar United Madagascar Consortium brings together MfM and two other Madagascar NGOs (Feedback Madagascar and Seed Madagascar) with the INGO Solar Aid and the Dutch-Malagasy social enterprise JiroVE. With funding and catalytic support from the Aeonian Foundation, the consortium produced a pilot model in 2022/23 for the installation of solar panels in rural schools, powering the schools during the day to leapfrog energy issues hindering digital learning provision while at the same time powering a light library for the community to use in the evenings at home, replacing candles and kerosene. This also provides income for franchisees running the library and maintaining the systems.

In July 2023, all partners committed to the next stage of this major partnership for at least a further two years, scaling the promising results of the pilot phase and integrating with the programmatic operations and skills of each of the partners. We are delighted to be contributing to the consortium's vision to scale community-led holistic development solutions. Money for Madagascar will be the host organisation in Madagascar for the new Project Manager role in 2023/24.

Resilient forests and livelihoods

Madagascar is now ranked as the world's fourth most at-risk country to climate change and is one of the highest rates of deforestation in the world with around 0.5% to 1.3% per year. It is also rated as one of the global areas where nature-based solutions can be most transformative for people and the environment. Current efforts at a national level include:

- Lobbying to unlock funding for the National Adaptation Plan through the Green Climate Fund in the 27th Conference of the Parties (COP) on Climate Change;
- Creation of the National Youth Alliance for Climate and Biodiversity in Madagascar established at both the Conference of Youth 17 (COY 17) and the COP 27, which aims to engage the Malagasy youth in sustainable efforts related to climate change and biodiversity such as supporting advocacy and awareness campaigns, and promoting the innovative solutions;
- The new software package 'Aroafo Data' for the digital monitoring of fire incidents in real-time to combat deforestation and facilitate quicker responses as well as the emergency fund to set up an adequate fire-fighting strategy within protected areas; and
- The achievement of 60% of the Ministry's reforestation targets for 2023, aiming to reforest 75,000 hectares annually.

Despite these efforts, much more needs to be done to protect Madagascar's fragile environment and people, as much of the country, including protected areas, continue to fall victim to flames and biodiversity loss. The immediate effect is, for example, the high level of air pollution, which was nine times higher than the threshold recommended by the World Health organisation. The health impacts of this pollution is already evident in the communities where MfM works, where we are seeing a sharp rise in respiratory problems in children.

In response to the worsening environmental and human crisis, our newly designed resilient forests and livelihoods programme puts a special focus on climate resilience and the integration of community-led conservation and biodiversity actions with resilient livelihood development. The focus of the programme is to help Madagascar restore and sustainably manage its land, to support people and biodiversity, within a vulnerable environmental context driven by climate change.

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Our programme overall objective is to leverage sustainable development in threatened areas by building environmental, economic and social resilience of vulnerable rural communities. 2022-2023 was the first year of the 3-year pilot phase of the new programme Resilient Forest and Livelihoods (RFL) and both the 4 RFL partners and MfM are pleased that first results are promising. To date, 24 Community-based Savings and Loans Groups (CBSGs) have been set up benefiting 2,427 members (54% female) to access finance services. Each member earned an average increase of 34% of their savings after a cycle of 39 weeks. 24 farmer demonstration plots have been managed through the Dynamic Agroforestry (DAF) technique as a means of providing permanent food, whilst restoring and protecting endangered forests, hence a step to the Forest Landscape Restoration. 550 households have been trained and supported in climate-smart agriculture techniques, resulting in 22 hectares of degraded areas retrieved. 465 households living next to forests were involved in the forest restoration activities from nursery preparation to tree maintenance and monitoring. 26,758 endemic plants have been planted to restore 20 hectares of natural forests and maintain 7.1 ha of previous sites. 5 relay farmers have been supported in 4 RFL sites and are now ensuring the local anchorage in disseminating these innovative techniques in addition to partners' staff.

A growing enthusiasm and community dynamic have been seen amongst rural people for CBSGs, especially those in remote areas, giving them access to local financing mechanisms, from their own capital, adapted to their needs and conditions. Beneficiaries stated that these loans mainly serve to finance their agricultural activities but also their children's education expenses as well as some unforeseen expenses. Also, promoting relay farmers identified by beneficiaries themselves is proving to be a well-perceived approach so we plan to strengthen and scale it up to include women and young people for greater inclusion. Moreover, the promotion of multi-purposes village nurseries (species for ecological restoration, species for reforestation, for consumption, for energy and other domestic uses) installed and managed by motivated groups not only facilitates the transition from development to conservation but helps also better understand the imperatives of regenerating biodiversity. So far, 85 households have opted for this multi-purpose tree planting.

The change to be tested during this pilot phase is that the rural farmers, mainly those living next to natural forests and protected areas, could become agents of change and are more receptive to ecological activities when they perceive effective improvements of their livelihoods. For this to happen, we need to produce evidence of benefits on acting on the most accessible livelihood assets.

To strengthen the conservation work in the protected areas in Andasibe, MfM also partners with the Mad Dog Initiative (MDI) who supports 2 local schools in keeping children at school and instilling environmental care from an early age to curb environmental degradation. This year, 146 pupils have benefited from school canteen throughout the academic year, 7 teachers supported in additional wage and income-generating activities, and 211kg of vegetables produced in the school garden to supply the school canteen. Still in Andasibe, MfM's 'Youth for lemurs project', funded by the Darwin Initiative in partnership with Madagasikara Voakajy, Association Mitsinjo, Label CBD consulting and Ministries of Youth, Environment and Agriculture, is supporting 21 dynamic youth groups with a total of 233 members to develop production and trade of aromatic and medicinal plants to incentivise conservation of wider forest ecosystems. This year, 31 demonstration plots now use sustainable farming techniques, and 70% of our beneficiaries are adopting these techniques on their own land. 5 youth cooperatives have been formalised to be linked to 4 potential buyers of aromatic and medicinal plants.

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A new exciting project has also started this year to empower 75 young people (55% female) from community-based associations in their role of natural resource managers in 3 key biodiversity areas namely Amoron'i Onilahy, Complexe Mangoky and Tsinjoarivo (respectively in Atsimo Andrefana and Vakinankaratra regions). This project, funded by the Critical Ecosystem Partnership Fund (CEPF) and which will run till 2024, contributes to the capacity building pillar of MfM's strategy.

Protecting and enabling vulnerable children

This programme aims to restore the dignity of children and young people in vulnerable circumstances to enable them to become self-reliant and in charge of their own future. Thanks to the generous support of individuals, trusts and foundations, MfM's Vulnerable Children (VC) programme reached 562 vulnerable children and young people who found refuge, food, education, healthcare, sanitation and loving care in six children's centres this year. In contrast to last year, 2021-2022, when 484 children were welcomed into the same centres, an increase of 16% has been noted. These numbers are more than statistics; not only they echo the growing vulnerability that grips Madagascar's children mainly aged between 5 and 20, but they also remind us the efforts needed to provide adequate care in order to transform the lives of these beneficiaries.

In addition to the ongoing support provided to the children's centres, MfM is proud to further develop its partnership with Ankizy Gasy (AG) regarding the mentoring and coaching programme to scale up our VC programme. When assessing the needs of our beneficiaries, MfM and AG came up with a shared understanding of the mentorship support and counselling services gap for youth to achieve resilient and independent lives. The vision is to extend the services to the children's families, educators, and professionals working in the sector as part of MfM's capacity building and advocacy pillars. This year, the initial stage of building the mentoring centre has started. Grants have been secured for the land and mentoring centre building and time has been invested in developing the Mentoring Centre Programme to build-in long-term sustainability. Even before the building is ready, mentoring and support services are well underway including: mentoring, coaching, and career guidance of youth through various initiatives, from inspirational testimonies of young individuals who have already succeeded in their chosen fields to immersive company visits, home visits, training sessions and careers events co-hosted with AAA. Once the building is complete the programme will be able to expand, including new income-generating activities which will provide income and work experience to boost the skills of partners and beneficiaries.

MfM remains grateful to our generous donors who not only enable us support our partners but also make the time to visit our work on the ground. This year, we were honored to host the CB&HH Taylor Trust and Balcombe Trust representatives who visited our VC centres. These interactions were a valuable opportunity to an open dialogue to better understand the context of the work and challenges, exchange perspectives for improvement and strengthen the relationship between MfM and its donors.

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Disaster relief and resilience

Cyclone recovery

Two intense cyclones (Cheneso and Freddy) hit Maintirano early in the year, destroying homes and livelihoods, with 60-90% of areas devoted to food and cash crops flooded. The two RFL sites namely Belailay and Mafajijjo managed by SAF/FJKM Melaky have been severely damaged. A quarter of the population of Maintirano district was vulnerable to acute food insecurity, with the risk of resorting to natural and forest resources in search of tubers and fibers for survival. Thanks to MfM's cyclone response, 351 affected households have recovered from crop failure. Seeds to replant rice, corn and peanuts were provided initially to match the second crop season (May) but finally delayed due to bad access to the sites, and sowed only in late June. Surprisingly, the flood produced a muddy soil which, when the water receded, transformed the area into a cultivable land. This led to an increase in the cultivable area per household, from 2 ares to 10 ares for rice, and an almost threefold increase for maize and peanuts. The seed-revolving approach was adopted to build household resilience with respect to management of seeds stock. We are looking forward to seeing the outcomes after the harvest in early November.

Famine response

This year, we have completed our famine response support to the 3 primary schools which are Tatabe, Ankaroka and Benato Centre in the Betroka district (Anosy region) as part of the successful partnership with Terre des Hommes and ALT Madagascar. At the start of the project in May 2022, 1,370 pupils were enrolled in these three schools but a significant increase has been noted and finally standing at 1,648 pupils in June 2023. Pupils are fed once a day for seven days a week. In addition, 201 households benefit directly from the project because they have become suppliers of fresh vegetables for the school canteen. For reference, MfM provide the school canteen for these kids whereas Terre des Hommes support parents with income generating activity alternatives and with their children's education to prevent and stop child labor in the Mica mining sector. We remain hugely grateful to all donors who contributed generously to MfM's famine appeal.

Other projects

This year we completed a three-year project with the Ivato Theological College, generously supported by the Union of Welsh Independents (UWI), has been completed this year. It aimed to support the College and its students through the production of fruit trees and indigenous trees and the promotion of climate-smart agriculture techniques for their vegetable gardens. Key outcomes at the end of the project are: contribution to the food of over 250 staff and students' families each year and the increasing perception of a healthier learning environment within the college. 30% of initial investment has been recovered through the sale of plants, which has begun to be a reliable source of income for the college. 80% of the students have adopted vegetable growing in their own backyards. Also, what's truly inspiring is that students who have graduated from the college are already implementing sustainable agricultural activities and planting fruit trees in their outreach sites. The completion of this one-off project during this financial year marks a significant milestone in our journey of impact and support.

The results of that collective work - all shoulders to the wheel - are already starting to pay off, and we close out this year with an organisation that is already transformed and continues to transform in all areas with the single purpose of realising our vision and mission.

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Financial review

In the past year, Money for Madagascar (MfM) has experienced significant financial growth, surpassing expectations with a 66% increase in income, reaching £1.276 million. This growth is primarily due to our strategic emphasis on securing funds from Charitable Foundations and other institutions to support our expanding activities in Madagascar. Additionally, our committed individual donors have responded generously to the escalating humanitarian and environmental needs in Madagascar, contributing significantly to our income growth. Although we have successfully recruited key staff both in the UK and Madagascar, we recognise the need to strengthen our fundraising team further to sustain and build upon this financial momentum.

Our financial performance reflects a substantial increase in "Restricted Funds," resulting in a £319,942 mismatch between income and expenditure. This discrepancy is due to the receipt of grants intended for future expenditures within this accounting period. Most of these funds have already been expended and will be accurately reflected in the 2024/25 financial year accounts. As we move towards becoming a largely Malagasy-led organisation by 2025, we have bolstered our management and operational capabilities in Madagascar. An ongoing exercise aims to develop an efficient constitutional and financial structure, leveraging the anticipated "Accord de Siege" status granted by the Malagasy government. This status is expected to enhance our collaboration with international donors, including Overseas Aid organisations, thus broadening our funding sources and supporting our strategic objectives.

Looking ahead, our ability to appeal to international donors is crucial for funding our ambitious plans. Despite the growth, we face challenges, such as the need to expand our fundraising team to maintain our financial trajectory. We have interim arrangements to sustain our fundraising momentum, which has nearly tripled our income since 2021 (£443,857). Currently, there are no uncertainties about our ability to continue as a going concern, nor do we have any materially deficient funds or subsidiaries. We are focused on mitigating risks by strengthening our financial and operational frameworks, ensuring that we can effectively manage and utilise our resources to maximise our impact in Madagascar.

Reserves policy

At MfM, we recognise the importance of maintaining sufficient reserves to ensure the stability and continuity of our operations both in the UK and Madagascar. Our reserves policy is designed to provide financial security and to ensure that we can meet our obligations and continue our work in the face of financial challenges.

Our current reserves policy aims to maintain unrestricted assets equal to:

- 1 90 days of UK administrative expenditure: £35,715 (3 months); and
- 2 365 days of Madagascar support costs: £134,775 (12 months).

At the end of the reporting period, the charity holds total unrestricted assets amounting to £324,767. However, it is important to note that this figure is high as it includes committed expenditure for 2024/25.

A portion of our reserve funds are through tangible fixed assets and investments. This ensures that a portion of our reserves is safeguarded for long-term stability and cannot be easily liquidated.

Money for Madagascar

Report of the trustees

For the year ended 30 September 2023

The reserves policy will continue to be reviewed, especially in light of the charity's shift towards becoming more Malagasy-led. Ongoing reviews will ensure that the charity's reserves are appropriately maintained to support future activities.

Overall, while the current reserves are aligned with the policy, we are committed to continually assessing and adjusting our reserves strategy to meet the evolving needs and goals of the charity.

Risk statement

We recognise the importance of identifying, assessing, and managing risks that may impact our ability to serve our beneficiaries and fulfil our objectives. These may include Governance, Operational, Financial, External or Compliance with Law and Regulation Risks. We are committed to continuously monitoring these and other potential risks, and to taking proactive steps to mitigate them. To ensure ongoing risk management and accountability, our risk statement and mitigation strategies are reviewed regularly by members of the Finance and General Purposes Board on a quarterly basis. This approach ensures that we can sustainably deliver on our mission and make a positive impact on the communities we serve.

Fundraising statement

The majority of our fundraising activities at Money for Madagascar are carried out by our dedicated staff. For certain initiatives, we collaborate with other organisations or individuals to enhance our efforts. For example, we partner with payroll giving agencies to enrol supporters in our payroll giving schemes and engage specialists to assist with technical bids. These collaborations are governed by detailed written agreements that outline the responsibilities of all parties and ensure strict adherence to our ethical standards, including measures to protect vulnerable individuals.

We have had no instances of non-compliance with relevant regulations or guidelines, nor have we received any complaints regarding our fundraising activities.

A significant portion of our income is derived from trusts, foundations, and some corporate partners. When raising funds from the public, we only send marketing materials to individuals who have expressly consented to be contacted, and they are free to change their preferences at any time. We are committed to maintaining a level of communication with our supporters that is both proportional and appropriate. In the past year, we have not engaged in telephone marketing or solicited funds through door-to-door or street collections.

Future plans

Money for Madagascar (MfM) is embarking on an exciting and ambitious journey to operationalise and implement a bold strategic vision for the next decade. Our future direction, deeply influenced by the experiences and lessons learned from our past activities, is centred on strategic growth, building capacity and credibility, and enhancing our leadership and organisational structure. Achieving over £1 million in income for the first time marks a significant milestone, underscoring our dedication to securing funding from individuals and institutions and supporting our Malagasy partners in securing direct funding.

We are transitioning to a collaborative leadership model. This innovative structure fosters participatory decision-making and advocacy for community-driven development. Extensive consultations with our teams in the UK and Madagascar, including in-person meetings, have helped shape this shared vision. Our commitment to collaborative leadership and equitable decision-making aligns with best practices in development organisations and is essential to delivering the resources and support required to unlock the potential in the Malagasy communities we serve.

Money for Madagascar

Report of the trustees

For the year ended 30 September 2023

The integration of our four key mission pillars into our programs and the development of new strategic partnerships with local and international organisations are pivotal to expanding our impact. This year has been a major reference point for MfM, reflecting significant changes in our organisational structure and operational work. With a strong foundation and clear strategic vision, we are confident that MfM is on the right track to making a real difference and achieving substantial benefits for Madagascar equitably, effectively, and at scale.

Misaotra. Merci. Diolch. Thank you.

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The 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 state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. 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 are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

Auditors

Godfrey Wilson Limited were appointed as auditors to the charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 20 August 2024 and signed on their behalf by:



Felicity Jones - Chair

Independent auditors' report

To the trustees of

Money for Madagascar

Opinion

We have audited the financial statements of Money for Madagascar (the 'charity') for the year ended 30 September 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 6 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the trustees of

Money for Madagascar

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other matter

The financial statements for the year ended 30 September 2022 were not audited because the charity was below the statutory audit threshold.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditors' report

To the trustees of

Money for Madagascar

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditors' report

To the trustees of

Money for Madagascar

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Godfrey Wilson Limited

Date: 21 August 2024

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Money for Madagascar

Statement of financial activities

For the year ended 30 September 2023

	Note	Restricted £	Unrestricted £	2023 Total £	2022 Total £
Income from:					
Donations and legacies	3	982,810	284,900	1,267,710	759,283
Other trading activities		-	4,863	4,863	3,610
Investments		-	3,596	3,596	2,943
Total income		<u>982,810</u>	<u>293,359</u>	<u>1,276,169</u>	<u>765,836</u>
Expenditure on:					
Raising funds		-	83,994	83,994	64,725
Charitable activities					
Education for life		395,497	(8,700)	386,797	130,548
Forests and livelihoods		86,186	55,932	142,118	200,941
Vulnerable children		249,497	63,610	313,107	258,769
Emergency response		27,101	13,724	40,825	90,442
Total expenditure	4	<u>758,281</u>	<u>208,560</u>	<u>966,841</u>	<u>745,425</u>
Net gains / (losses) on investments	10	-	10,614	10,614	(47,196)
Net income / (expenditure)		224,529	95,413	319,942	(26,785)
Transfers between funds		6,931	(6,931)	-	-
Net movement in funds	6	231,460	88,482	319,942	(26,785)
Reconciliation of funds					
Total funds brought forward		<u>138,016</u>	<u>236,285</u>	<u>374,301</u>	<u>401,086</u>
Total funds carried forward		<u>369,476</u>	<u>324,767</u>	<u>694,243</u>	<u>374,301</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 14 to the financial statements.

Money for Madagascar

Balance sheet

As at 30 September 2023

	Note	£	2023 £	2022 £
Fixed assets				
Tangible assets	9		1,153	474
Investments	10		<u>182,772</u>	<u>175,328</u>
			183,925	175,802
Current assets				
Debtors	11	62,368		63,678
Cash at bank and in hand		<u>460,691</u>		<u>179,721</u>
		523,059		243,399
Current liabilities				
Creditors: amounts falling due within 1 year	12	<u>12,741</u>		<u>44,900</u>
Net current assets			<u>510,318</u>	<u>198,499</u>
Net assets	13		<u>694,243</u>	<u>374,301</u>
Funds	14			
Restricted funds			369,476	138,016
Unrestricted funds:				
General funds			<u>324,767</u>	<u>236,285</u>
Total funds			<u>694,243</u>	<u>374,301</u>

Approved by the trustees on 20 August 2024 and signed on their behalf by:



Felicity Jones - Chair

Money for Madagascar

Statement of cash flows

For the year ended 30 September 2023

	2023 £	2022 £
Cash used in operating activities:		
Net movement in funds	319,942	(26,785)
Adjustments for:		
Depreciation charges	316	125
(Gains) / losses on investments	(10,614)	47,196
Dividends, interest and rents from investments	(3,596)	(2,943)
(Increase) / decrease in debtors	1,310	(37,065)
Increase / (decrease) in creditors	(32,159)	1,942
Net cash provided by / (used in) operating activities	<u>275,199</u>	<u>(17,530)</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	3,596	2,943
Purchase of tangible fixed assets	(995)	(599)
Purchase of investments	(117,171)	-
Proceeds from the sale of investments	126,359	2,830
Net cash provided by investing activities	<u>11,789</u>	<u>5,174</u>
Increase / (decrease) in cash and cash equivalents in the year	286,988	(12,356)
Cash and cash equivalents at the beginning of the year	<u>180,842</u>	<u>193,198</u>
Cash and cash equivalents at the end of the year	<u><u>467,830</u></u>	<u><u>180,842</u></u>
Analysis of cash and cash equivalents		
Cash held in current accounts	460,691	179,721
Cash held in investment portfolio	<u>7,139</u>	<u>1,121</u>
	<u><u>467,830</u></u>	<u><u>180,842</u></u>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)).

Money for Madagascar 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.

b) Going concern basis of accounting

The trustees consider that the charity has sufficient unrestricted reserves and cashflow to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved. For these reasons the accounts have been prepared on a going concern basis.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income from trading activities is recognised when merchandise is sold and sent to the donor.

d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity. It is the charity's policy that circa 10-15% of restricted income is allocated to cover the charity's core costs, wherever possible.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

1. Accounting policies (continued)

g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These support and governance costs have been allocated between the cost of raising funds and expenditure on charitable activities as set out below, which is an estimate of UK staff time spent on activities.

The majority of the activities of MfM are conducted by our Malagasy Partners and their staff teams in Madagascar. These Malagasy teams spend the majority of their time delivering the charitable activities of our programmes. These charitable activities are not represented in the percentages below, which refer only to UK support costs.

	2023 £	2023 %	2022 £	2022 %
Total expenditure	966,841		745,425	
Total expenditure on support and governance costs	65,784		43,016	
Proportion of total expenditure spent on support and governance:		6.8%		5.8%
<i>Allocation of support and governance costs:</i>				
Raising funds	33,839	51.4%	19,508	45.4%
Charitable activities				
Education for life	9,942	15.1%	7,387	17.2%
Forests and livelihoods	8,503	12.9%	6,399	14.9%
Vulnerable children	9,122	13.9%	4,841	11.2%
Emergency response	4,378	6.7%	4,881	11.3%

h) Grants payable

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 donations income in the statement of financial activities, and the subsequent transfer to the partner is shown as a grant payable. These are not considered to be conduit funds as the trustees of Money for Madagascar retain discretion over the funds that are sent and the projects are subject to the same monitoring as other MfM grants.

Grants payable are recognised in the year in which they are authorised by the trustees and the grant is formally communicated to the recipient, except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached have been fulfilled.

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

1. Accounting policies (continued)

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. Depreciation is charged on a straight line basis. The depreciation rate is as follows:

Furniture and equipment	25% per annum straight line
-------------------------	-----------------------------

Items of equipment are capitalised where the purchase price exceeds £500.

j) Listed investments

Investments in quoted shares, traded bonds and similar investments are measured initially at cost and subsequently at fair value (their market value). The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investment income from dividends is included in income when receivable.

k) 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.

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

m) Creditors

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.

n) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

o) Pension costs

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities in the year in which they are payable to the scheme. Differences between the contributions payable and contributions actually paid during the year are shown as either accruals or prepayments at the year end.

p) Foreign currency transactions

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

Notes to the financial statements

For the year ended 30 September 2023

1. Accounting policies (continued)

q) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

2. Prior period comparatives: statement of financial activities

	Restricted	Unrestricted	2022 Total
	£	£	£
Income from:			
Donations and legacies	544,568	214,715	759,283
Other trading activities	-	3,610	3,610
Investments	-	2,943	2,943
Total income	544,568	221,268	765,836
Expenditure on:			
Raising funds	-	64,725	64,725
Charitable activities			
Education for life	104,807	25,741	130,548
Forests and livelihoods	91,121	109,820	200,941
Vulnerable children	238,638	20,131	258,769
Emergency response	84,112	6,330	90,442
Total expenditure	518,678	226,747	745,425
Net losses on investments	-	(47,196)	(47,196)
Net income / (expenditure)	25,890	(52,675)	(26,785)
Transfers between funds	34,480	(34,480)	-
Net movement in funds	60,370	(87,155)	(26,785)

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

3. Income from donations and legacies

	Restricted £	Unrestricted £	2023 Total £
<i>Grants > £45k</i>			
Adsum Foundation	66,705	-	66,705
Aeonian Foundation	511,154	81,600	592,754
The Balcombe Charitable Trust	45,010	1,964	46,974
Mary's Meals	122,213	-	122,213
Grants < £45k	105,756	78,174	183,930
Individuals	89,705	99,779	189,484
Gift Aid	12,558	14,981	27,539
Other donations	29,709	8,402	38,111
Total donations and legacies	982,810	284,900	1,267,710

Prior period comparative

	Restricted £	Unrestricted £	2022 Total £
<i>Grants > £45k</i>			
Adsum Foundation	57,084	-	57,084
Aeonian Foundation	-	16,250	16,250
The Balcombe Charitable Trust	38,832	3,295	42,127
Mary's Meals	130,202	-	130,202
Grants < £45k	113,592	56,002	169,594
Individuals	154,817	112,642	267,459
Gift Aid	24,413	12,073	36,486
Other donations	25,628	14,453	40,081
Total donations and legacies	544,568	214,715	759,283

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

4. Total expenditure

	Raising funds £	Charitable activities				Support and governance costs £	2023 Total £
		Education for life £	Forests and livelihoods £	Vulnerable children £	Emergency response £		
Grants to partners (note 5)	-	333,854	81,987	246,924	26,448	-	689,213
Programme support in Madagascar (note 5)	-	32,124	42,326	47,083	5,209	-	126,742
UK staff costs (note 7)							
Monitoring and evaluation	-	6,319	5,521	5,588	1,597	565	19,590
Programme development	-	2,373	1,785	1,996	1,197	-	7,351
Education and awareness raising	-	987	798	798	798	-	3,381
Donor support and fundraising	37,020	-	-	-	-	-	37,020
Support and governance	-	1,198	1,198	1,596	1,198	30,351	35,541
Fundraising costs:							
Donation platform fees	2,859	-	-	-	-	-	2,859
Fundraising costs	7,731	-	-	-	-	-	7,731
Investment manager costs	2,545	-	-	-	-	-	2,545
Other support costs:							
Office costs	-	-	-	-	-	10,633	10,633
Travel and subsistence	-	-	-	-	-	4,184	4,184
Accountancy	-	-	-	-	-	8,400	8,400
Professional fees	-	-	-	-	-	11,335	11,335
Depreciation	-	-	-	-	-	316	316
Sub-total	50,155	376,855	133,615	303,985	36,447	65,784	966,841
Allocation of support and governance costs	33,839	9,942	8,503	9,122	4,378	(65,784)	-
Total expenditure	83,994	386,797	142,118	313,107	40,825	-	966,841

Total governance costs are £8,400 (2022: £3,900).

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

4. Total expenditure (continued)

Prior year comparative	Raising funds £	Charitable activities				Support and governance costs £	2022 Total £
		Education for life £	Forests and livelihoods £	Vulnerable children £	Emergency response £		
Grants to partners (note 5)	-	85,676	103,000	228,089	73,198	-	489,963
Programme support in Madagascar (note 5)	-	27,287	82,708	19,155	5,625	-	134,775
UK staff costs (note 7)							
Monitoring and evaluation	-	6,410	4,738	3,252	2,875	536	17,811
Programme development	-	1,849	1,581	1,437	1,509	54	6,430
Education and awareness raising	-	897	1,437	719	1,078	54	4,185
Donor support and fundraising	26,934	-	-	-	-	-	26,934
Support and governance	-	1,042	1,078	1,276	1,276	24,801	29,473
Fundraising costs:							
Donation platform fees	4,256	-	-	-	-	-	4,256
Fundraising costs	11,196	-	-	-	-	-	11,196
Investment manager costs	2,831	-	-	-	-	-	2,831
Other support costs:							
Office costs	-	-	-	-	-	8,092	8,092
Accountancy	-	-	-	-	-	3,900	3,900
Professional fees	-	-	-	-	-	5,454	5,454
Depreciation	-	-	-	-	-	125	125
Sub-total	45,217	123,161	194,542	253,928	85,561	43,016	745,425
Allocation of support and governance costs	19,508	7,387	6,399	4,841	4,881	(43,016)	-
Total expenditure	64,725	130,548	200,941	258,769	90,442	-	745,425

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

5. Grants payable

	Restricted	Unrestricted	2023
	£	£	Total
			£
Grants to institutions:			
Akany Avoko Ambohidratimo	64,454	-	64,454
Akany Avoko Faravohitra	11,156	-	11,156
Akany Avoko Bevalala	1,617	-	1,617
Akany Hasina	6,915	-	6,915
Ankizy Gasy	10,400	-	10,400
Andry-Lalana-Tohana	19,083	-	19,083
Association AVM	58,259	-	58,259
Association Miarintsoa	428,552	-	428,552
Association Mitsinjo	41,447	-	41,447
Ivato Theological College	4,807	-	4,807
Sadabe NGO	9,065	-	9,065
SAF - Maintirano	9,140	-	9,140
The Sisters of the Good Shepherd	7,099	-	7,099
WTDM - Resilient Sustainable Livelihoods	16,725	-	16,725
Sub-total	688,719	-	688,719
Grants to individuals:	494	-	494
Total grants payable	689,213	-	689,213

Grants payable are to institutions in Madagascar. All grants are paid to fund charitable activities, including funding to run children's homes, centres and schools, and promotion of forest regeneration and disaster resilience. The grants shown above do not include any contribution to core costs.

Amounts paid to Association Miarintsoa (AMI) who represent MfM in Madagascar:

In addition to making grants to the Malagasy NGOs listed above, MfM also has a direct contract with Association Miarintsoa (AMI) to represent MfM in Madagascar. AMI is contracted by MfM to provide services which fulfil our mission of 'strengthening Malagasy NGOs'. To do this AMI provides a package of training, capacity building, programme development and monitoring and evaluation services. This year MfM spent £126,742 (2022: £134,775) on these services. The details can be found in note 5 of the accounts, under the heading Programme support in Madagascar.

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

5. Grants payable (continued)

Prior year comparative	Restricted	Unrestricted	2022
	£	£	Total £
Grants to institutions:			
Akany Avoko Ambohidratimo	42,629	-	42,629
Akany Avoko Faravohitra	21,414	-	21,414
Akany Avoko Bevalala	1,035	-	1,035
Akany Hasina	5,636	-	5,636
Ankizy Gasy	16,563	5,708	22,271
Andry-Lalana-Tohana	35,872	-	35,872
Association AVM	59,467	-	59,467
Association Miarintsoa	151,194	-	151,194
Association Mitsinjo	41,887	-	41,887
Ivato Theological College	7,369	-	7,369
MD Initiative	10,679	-	10,679
Ny Taninsika	2,500	-	2,500
SAF - Betampona	8,338	-	8,338
SAF - Maintirano	10,745	-	10,745
SAF - Toamasina	-	16,768	16,768
Saffifa Helivao - Gilpin Centre	1,441	-	1,441
The Sisters of the Good Shepherd	6,790	-	6,790
Topaza FJKM Children's Centre	3,568	-	3,568
Voakajy	22,906	-	22,906
WTDM - Resilient Sustainable Livelihoods	16,595	-	16,595
Sub-total	466,628	22,476	489,104
Grants payable to individuals	859	-	859
Total grants payable	467,487	22,476	489,963

6. Net movement in funds

This is stated after charging:	2023	2022
	£	£
Depreciation	316	125
Trustees' reimbursed expenses	Nil	289
Trustees' remuneration	Nil	Nil
Auditor's remuneration:		
▪ Audit (ex VAT)	7,000	-
▪ Independent examination (ex VAT)	-	3,250
▪ Other services (ex VAT)	240	338

Trustees' reimbursed expenses in the prior year represent payments to 1 trustee for travel and subsistence costs and other incidental costs relating directly to the charity.

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

7. Staff costs

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	98,189	80,267
Social security costs	2,764	2,879
Pension contributions	1,930	1,687
	<u>102,883</u>	<u>84,833</u>

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

The key management personnel of the charity comprise the trustees and the director. The total employee benefits (salary and pension contributions) received by the charity's key management personnel in the period were £38,310 (2022: £38,057).

	2023 No.	2022 No.
Average staff head count	<u>4.00</u>	<u>4.00</u>

8. Taxation

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

9. Tangible fixed assets

	Furniture and computer equipment £
Cost	
At 1 October 2022	5,249
Additions	<u>995</u>
At 30 September 2023	<u>6,244</u>
Depreciation	
At 1 October 2022	4,775
Charge for the year	<u>316</u>
At 30 September 2023	<u>5,091</u>
Net book value	
At 30 September 2023	<u><u>1,153</u></u>
At 30 September 2022	<u><u>474</u></u>

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

10. Investments

	2023 £	2022 £
Market value at 1 October 2022	174,207	224,233
Additions	117,171	-
Disposal proceeds	(126,359)	(2,830)
Net gains / (losses) on investments	<u>10,614</u>	<u>(47,196)</u>
Market value at 30 September 2023	175,633	174,207
Cash held within portfolio	<u>7,139</u>	<u>1,121</u>
Total investments	<u>182,772</u>	<u>175,328</u>

11. Debtors

	2023 £	2022 £
Gift aid recoverable	59,134	60,070
Prepayments	3,234	3,416
Other debtors	-	192
	<u>62,368</u>	<u>63,678</u>

12. Creditors: amounts due within 1 year

	2023 £	2022 £
Trade creditors	-	37,692
Accruals	10,895	5,523
Other creditors	<u>1,846</u>	<u>1,685</u>
	<u>12,741</u>	<u>44,900</u>

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

13. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	1,153	1,153
Investments	-	182,772	182,772
Net current assets	<u>369,476</u>	<u>140,842</u>	<u>510,318</u>
Net assets at 30 September 2023	<u>369,476</u>	<u>324,767</u>	<u>694,243</u>

Prior period comparative

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	474	474
Investments	-	175,328	175,328
Net current assets	<u>138,016</u>	<u>60,483</u>	<u>198,499</u>
Net assets at 30 September 2022	<u>138,016</u>	<u>236,285</u>	<u>374,301</u>

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

14. Movements in funds

	At 1 October 2022 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 September 2023 £
Restricted funds						
Education for life	36,106	621,084	(395,497)	-	-	261,693
Forests and livelihoods	20,501	86,922	(86,186)	-	2,063	23,300
Vulnerable children	50,944	268,271	(249,497)	-	4,868	74,586
Emergency response	30,465	6,533	(27,101)	-	-	9,897
Total restricted funds	138,016	982,810	(758,281)	-	6,931	369,476
Unrestricted funds						
General funds	236,285	293,359	(208,560)	10,614	(6,931)	324,767
Total unrestricted funds	236,285	293,359	(208,560)	10,614	(6,931)	324,767
Total funds	374,301	1,276,169	(966,841)	10,614	-	694,243

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

14. Movements in funds (continued)

	At 1 October 2021 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 September 2022 £
Prior year comparative						
Restricted funds						
Education for life	-	133,961	(104,807)	-	6,952	36,106
Forests and livelihoods	16,838	68,697	(91,121)	-	26,087	20,501
Vulnerable children	55,370	232,771	(238,638)	-	1,441	50,944
Emergency response	5,438	109,139	(84,112)	-	-	30,465
Total restricted funds	<u>77,646</u>	<u>544,568</u>	<u>(518,678)</u>	<u>-</u>	<u>34,480</u>	<u>138,016</u>
Unrestricted funds						
General funds	<u>323,440</u>	<u>221,268</u>	<u>(226,747)</u>	<u>(47,196)</u>	<u>(34,480)</u>	<u>236,285</u>
Total unrestricted funds	<u>323,440</u>	<u>221,268</u>	<u>(226,747)</u>	<u>(47,196)</u>	<u>(34,480)</u>	<u>236,285</u>
Total funds	<u><u>401,086</u></u>	<u><u>765,836</u></u>	<u><u>(745,425)</u></u>	<u><u>(47,196)</u></u>	<u><u>-</u></u>	<u><u>374,301</u></u>

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

14. Movements in funds (continued)

Purposes of restricted funds

Education for life

This programme is working to improve education in Madagascar's remote rural primary schools through an integrated programme that provides: water, sanitation, books, teacher-training, environmental education, kitchen gardens, school canteens, solar power and parental literacy and livelihoods courses.

Forests and livelihoods

Through education, training and practical support, we enable farmers and forest dwellers to provide for their families, whilst protecting and restoring their fragile environment. Urgent attention is now focussed on reforestation, sustainable food security and resilience to climate change. The programme supports the following partners and projects:

Ivato Theological College	An Environmental Education Programme for theological students at the College.
Mitsinjo Forest	Working with Association Mitsinjo to restore indigenous forest and strengthen livelihoods in the Andasibe-Mantadia area. A tree nursery has been created which employs local people who are trained to become forestry technicians.
New Pilot Project	MfM's 'Resilient Forests and Livelihoods Programme' is expanding to new priority conservation sites. These projects will showcase best practice, combining tried and tested methods with newer climate-smart techniques like Dynamic Agro-Forestry. The first new location is Tsinjoarivo forest in partnership with Sadabe NGO and Nature Fund.
Sadabe NGO	A community based re-forestation project.
SAF - Maintirano	Working with women's cooperatives in the far west to plant trees and set up income generating activities for low-income families.
Tree Planting & Maintenance	A focused campaign to strengthen the reforestation and tree planting activities across our whole programme.
WDTM	As part of MfM's Resilient Forests and Livelihoods Programme, WDTM (Working Together for the Development of Madagascar) is building on the success of its 4-year Resilient Livelihoods project, with a new community savings scheme to help women from the farming community to build the income, food security and resilience of their families.

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

14. Movements in funds (continued)

Purposes of restricted funds (continued)

Vulnerable children

This programme transforms the lives of vulnerable children in and around the capital. Orphaned, abandoned, abused, sick and homeless children receive shelter, food, healthcare, education, water, sanitation and loving care. The programme supports the following partners and projects:

Akany Avoko Ambohidratrimo	A home providing care for 130 vulnerable children aged 0-21.
Akany Avoko Bevalala	A home for 50 destitute boys aged 10-18. This is a subsidiary of Akany Avoko Ambohidratrimo.
Akany Avoko Faravohitra	AAF is a children's home providing residential care and education for vulnerable children (mostly girls) aged 0 – 18. Funds are to help with general running costs, to fund a training programme for older girls and to provide solar equipment for the centre.
Akany Hasina	A non-residential after-school club providing homework support, environmental and cultural education including music, dance and language lessons.
Ankizy Gasy	A non-residential childrens centre which provides educational sponsorship, mentoring and training to children and young adults from disadvantaged backgrounds. Also delivers MfM's Education for Life programme in schools around Ambohidratrimo, near the capital.
Mary's Meals	Since January 2022 Money for Madagascar has an agreement with the Scottish charity Mary's Meals, to provide nearly 4,000 nutritious daily lunches to children in places of education. We feed all the children who attend 31 primary schools in Miarinarivo and all the children who are cared for at 6 centres for vulnerable children, which MfM supports, in and around the capital city. This is a long-term commitment to support the health and education of the children in these 37 communities. Over time we plan to expand the number of communities reached with Mary's Meals.
Raoly's Grant	Retirement support given to Laza Albertine Raoliarisoa (Raoly) by long-term supporters of Clait La Source special needs school. The school was run jointly by Raoly and Jeannot for 20 years.
Safety Net Fund	Makes small grants to help people in need. Mainly aimed at helping graduates from Akany Avoko Ambohidratrimo and Akany Avoko Faravohitra but may also be used for individual children at the children's centres in a case of particular need. These needs will typically be medical emergencies as well as training and employment opportunities.

Money for Madagascar

Notes to the financial statements

For the year ended 30 September 2023

14. Movements in funds (continued)

Purposes of restricted funds (continued)

Sisters of the Good Shepherd A day centre providing education, food and medical care to young street children and vocational training to vulnerable teenage girls.

Vulnerable Children and Families – Other Projects Various small projects supporting children and families and schools.

Emergency response

This programme is for specific responses to major appeals. In previous years, appeals have been necessary to respond to other relief needs e.g. famine, cyclones.

Transfers between funds

Transfers between funds represent contributions to overspent funds from the charity's general reserves or from similar restricted pots.

15. Related party transactions

Irenee Rajaona-Horne, Director of MfM, who is the daughter-in-law of Stephen Wilkinson, Trustee, received a salary in the year of £38,310 (2022: £38,057).

Money for Madagascar uses office space in the home of Irenee Rajaona-Horne and as such makes a contribution to services of this space. During the year ended 30 September 2023, the contribution to office services cost was £2,530 (2022: £2,301). £1,265 was due at the year end.

16. Financial instruments

	2023	2022
	£	£
Financial assets measured at fair value	<u>175,633</u>	<u>174,207</u>

Financial assets measured at fair value comprise listed investments.