

THE HOVERAID TRUST

(A company limited by guarantee)

Report and Financial Statements

31 December 2021

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## **Reference and Administration details**

### **CHARITY NAME**

The Hoveraid Trust

### **COMPANY REGISTRATION NUMBER**

02661888

### **CHARITY REGISTRATION NUMBER**

1005977

### **TRUSTEES AND DIRECTORS**

D. J. Wiltshire resigned 31st January 2022

R.M.D. Bell resigned 11th October 2021

P Deludet

G Davies-Scourfield

N. Greenham

A. Nye

H. Pomeroy appointed 27th January 2022

G. Thomson appointed 1st February 2022

Dr A. Bunting appointed 5th July 2022

### **COMPANY SECRETARY**

D J Wiltshire

### **REGISTERED OFFICE**

Unit 2

Chalk Farm

High Street

Babraham

Cambridge

CB22 3AG

### **BANKERS**

Lloyds Bank plc

25 Gresham Street

London

EC2V 7HN

### **INDEPENDENT EXAMINER**

A H K Swann

61 Hemingford Road

Cambridge

CB1 3BY

## HoverAid Trustees' Annual Report 2021

The trustees of the Hoveraid Trust ("HoverAid UK" or "the Trust") hereby present their annual report and financial statements for the year ended 31 December 2021.

### Structure

The Trust is a private company limited by guarantee, without shareholders.

The Trust is governed by the trustees in accordance with its memorandum and articles of association. Trustees are appointed by election in accordance with the Trust's articles of association.

### Trustees and Directors

The trustees of the Trust, who are also directors of the company and served during the year and to the date of this report, were as follows:

D. J. Wiltshire *resigned 31<sup>st</sup> January 2022*  
R.M.D. Bell *resigned 11<sup>th</sup> October 2021*  
P. Deludet  
N.G. Davies-Scourfield  
N. Greenham  
A. Nye  
H. Pomeroy *appointed 27<sup>th</sup> January 2022*  
G. Thomson *appointed 1<sup>st</sup> February 2022*  
Dr A. Bunting *appointed 5<sup>th</sup> July 2022*

The Trust's objective is to provide medical care, community health programmes, and emergency relief to isolated communities using hovercraft and other means.

### Achievements and Performance

During the year ended 31 December 2021 The Hoveraid Trust (commonly known as HoverAid in the UK) has continued to work in Madagascar.

Hoveraid spent £172,363 in Madagascar to enable strategic medical and humanitarian programmes, emergency/flood relief, COVID-related health and protection work primarily in remote communities, and engineering and maintenance on hovercraft and other vehicles. This amount increased by 2.5% on the previous year (2020: £168,178).

The predominant focus of HoverAid's work in Madagascar is the Madagascar Medical Safari (MMS) programme, run in collaboration with Mission Aviation Fellowship Madagascar (MAF). This deploys teams of fully trained volunteer doctors and healthcare professionals to remote communities in Beroroha, Sahekevo, Marolambo, Maevatanana, Ambatolahy, Ankavandra and Ampasinambo along the main river systems. The teams provide medical care to the general population irrespective of race, tribal group, gender, religion, or sexuality.

In 2021 the number of MMSs increased to 10 (vs 6 in 2020). This year, the MMS programme provided care for 4,081 patients (vs 2,353 in 2020), including 771 dental extractions, 195 surgeries, 786 ultrasound scans, and 156 eye tests. These consultations took place in nine different locations, which are, physically, extremely difficult to reach and, of note, provided the only viable trained healthcare option for those attending.

In the UK, efforts focused on building the supporter base, (subscribers increased from 620 to 650), developing the team, resources, structure and communications between countries, and fundraising, delivering income from UK sources of £ 186,520 (vs £249,012 in 2020). This reduced predominantly due to securing fewer institutional grant income in the year. The project to build a new RiverRover hovercraft continued, with completion of the improved design, technical collaborations established, and build programme launched. The craft will be completed in 2022.

A management and financial review of HoverAid Madagascar operations was carried out by ETIKA, and the resulting priority recommendations are being implemented in 2022.

HoverAid has a set of strategic goals agreed for 2021-2025. See below for progress against these:

***Strategic Focus I: Enlarge access of communities to life-changing interventions***

By the end of 2025, a total of 50,000 people living in remote areas have gained access to basic services like health care, water, sanitation and education and to improved livelihood opportunities since 2006.

Goal	Description	Achievement in 2021
I.1	Increased operational capacity of hovercraft and logistic equipment and staff	UK: RiverRover 308 hovercraft maintained for fundraising events and used as a test bed for design improvements. New craft design captured on CAD, build programme started, and key elements procured. Technical partnerships with RICARDO and Camb. Univ MADA: Ongoing work to repair and make ready the Vortex 5 and RiverRover 403 craft.
I.2	Increased number of people reached by others using logistic services provided by HoverAid.	UK: Initial discussions on collaborations with IMPACT, YWAM MADA: IMPACT Madagascar project started around Maevetanana but not completed due to hovercraft failure. MEDNET evasan collaboration established with MAF and Nehemiah
I.3	Increased number of people reached where no other development partners are present (yet).	UK: Funding raised and provided as requested for core MMS, emergency, evasan, and disaster recovery / rebuild MADA: 10 MMS's provided direct care for 4,081 people in 9 locations vs 2,353 in 2020
	Emergency response	UK: £28,000 raised and provided for schools build, evasan, storm damage survey. MADA: Building of three schools in Ambato Boeny completed. Distribution of COVID protection, medicines and cleaning equipment. Four evasan response projects

***Strategic Focus II: Expand the supporter base***

By the end of 2025, the HoverAid federation has established a brand as an organisation for and with 12,500 committed 'young and dynamic' world citizens, and has a proven approach to connect them with unreached communities.

For comparison: By the end of 2020, HoverAid had established a connection with a total of 7,500 people in four countries

Goal	Description	Achievement in 2021
II	Enlarged support portfolio via four HoverAid member organisations, being sufficient to support planned life-changing programs to be implemented by Hover+Aid and for logistics services using hovercraft	UK: Regular UK subscribers have increased from 620 to 650. 176 donors. Regular gifts from 14 businesses and churches. Facebook campaigns now reaching 1,700 "regular" "followers". Three events held, raising £8,672. Supporters and HA team took on two "challenges", raising £3,478 Part time paid Events Coordinator taken on (funded by Aidan Trust). Web site improvements made to HA UK website. Regular comms. to UK supporter base via Summer 2021 newsletter (to all subscribers), monthly prayer letters (to 240 signed up to receive), and one-off appeals / updates MADA: Increasing number of Facebook followers in MADA. Regular capture and communication of video, photo and narrative of front-line work for dissemination to supporters

The board is satisfied that both communications, awareness and fundraising campaigns have been undertaken with due respect to the dignity and privacy of both charitable beneficiaries (in particular, vulnerable persons in rural Madagascar) and prospective supporters, donors, and volunteers in the UK. No unsolicited direct marketing has been used, and the requirements of the Data Protection Act have been adhered to throughout. HoverAid does not use any third parties to contact prospective supporters.

**Strategic Focus III: Further develop institutional strengths**

By the end of 2025, HoverAid in UK, France, Netherlands, and Madagascar, together present a blend of organisations with distinct roles and strengths that operate from one unity of vision, mission and strategic direction, with purposeful guidance by HoverAid International.

Goal	Description	Achievement in 2021
III	All HoverAid members have further strengthened their institutional structure and systems, based on the HoverAid vision and values.	UK: Board of Trustees meeting monthly and refreshed with new Trustees. New UK team members: Finance officer; Operations and IT officer; Events coordinator; New hovercraft project manager; fundraising volunteer (left Jan 2022). Key Policies updated in a regular 2 yr cycle; New accounting system (Quickbooks), replacing XERO. Monthly reporting processes with HA MADA established for Finance and operations.  MADA: Formal MoU with MAF agreed (MMSs). Employment contracts in place for most staff. Review of financial and management processes, policies, structure and systems carried out by ETIKA in December 2021

**Strategic Focus IV: Engage in partnerships with complementary organisations**

By the end of 2025, HoverAid is working in cooperation with five organisations with complementary missions and services adding value to the mission of HoverAid in serving remote communities.

Goal	Description	Achievement in 2021
IV	Established country programme partnerships with three operational organisations providing complementary services in two country programmes (Madagascar and a second country).	Ongoing collaboration agreements in Madagascar with MAF, SALFA, Nehemia, IMPACT Madagascar

**People**

John Greaves continues in post as CEO, responsible for the overall strategy & operations on behalf of the Board of Trustees, links with other HoverAid entities, staff and volunteer management, finances, marketing and fundraising, and supporter communications. Andy Mayo remains as Chief Development and Technical Officer (CDTO). As Development Officer, Andy is responsible for expanding the reach of the Trust to other areas of the world, leading our humanitarian development policy. As Technical Officer he has responsibility for all things technical, overseeing our hovercraft fleet, and leading the design and construction of the new hovercraft.

John Hociey joined in December 2021 as UK Operations officer (office, processes, policies & systems); Jon Edney joined (in November 2021) as Finance Officer, replacing Nicola Chapman and Victoria Clark; Maisy Smith joined as Fund Raising volunteer (February 2021) but left in January 2022; Barbara Citarella joined as Events coordinator (May 2021). Barbara subsequently left in early 2022, replaced by Laura Giddings. The Events Coordinator and Operations officer roles are paid positions. We are still seeking to fill the Support Engagement position and to replace Maisy as fund raising volunteer.

Chris Evans, an experienced engineering manager joined as Hovercraft Project Manager in March 2021 to oversee the new hovercraft programme. We took on three interns from Cambridge University Engineering Department (CUED) in Summer 2021, focused on hovercraft design, development, build and maintenance. We plan to repeat this arrangement in 2022.

Peter van Buuren continues as HoverAid Country Director in Madagascar.

**Hovercraft Developments 2021**

The team of volunteers continued work on hovercraft RR308 via working parties at our Burchetts Farm workshop in Sussex. Efforts focused on maintaining the craft for demonstration usage around the UK, understanding performance limiting issues, and upgrading the cooling system prior to testing and subsequent use for demonstrations and hovercraft rides at the three events carried out in 2021.

The project to develop and build a new RiverRover hovercraft, termed “RR4B”, progressed, with creation and approval for the overall project plan and budget, completion of the main design, selection and purchase of the engine, manufacture of the skirt and hull components. Technical partners RICARDO are providing pro bono support on engine refurbishment and control system. RR4B will be completed in 2022, shipped to Madagascar, and commissioned ready for deployment on humanitarian projects in early 2023. The design has been captured on CAD, incorporating improvements from existing craft, and enabling future craft to be built more easily in-house or out-sourced to this design.

Collaborations with CUED continued with a 4<sup>th</sup> year student project focused on thrust duct optimization. The technology partnership with AnsysCADFEM and a new agreement with Mathworks continue to give us pro bono consulting and software licences in support of the design work.

A partnership briefing was prepared and shared with potential technical partners and donors for the new hovercraft.

The Burchetts Farm site, including building, test field, and lake continues to be made available by a private individual, a long-term supporter and volunteer with HoverAid. We make a non-contractual nominal monthly gift, to the owner of the property in recognition of his provision of these resources.

It is used for the assembly of the new hovercraft, maintenance and storage of the RR308 craft, and storage of our larger Griffon 1500. The latter was acquired in 2009 but work on it is on hold due to prioritization onto RR308 and RR4B. However the G1500 remains a long-term project with the intention that, once complete, it will be deployed to Madagascar or elsewhere,

In Madagascar, the RiverRover 403 craft refurbishment was completed, but unfortunately field-testing of the craft prior to deployment resulted in some transmission component failures, which required remedial attention. This craft is now repaired and ready for use at Maevetanana. In addition the small Vortex 5 hovercraft located at Tana was worked on during the year, but testing revealed the need for new components and sensors / instrumentation to ready it for operational service. This was paused pending funding of projects requiring the capability of this craft. The other three hovercraft in Madagascar, and the two craft based at Balimo in Papua New Guinea all need varying degrees of repair, which will only happen when funding is available and project needs require them.

### **Financial Review**

The net movement in funds for the year was an outflow of £17,623 (2020: inflow of £27,735). Overall income of £266,945 (vs £308,636 in 2020) came from the donations of UK individuals and organisations, and institutional grants, together with donations and grants from the HoverAid Netherlands and HoverAid France partner organisations (£43,811), and income from work carried out in Madagascar (£36,614). Overall expenditure was £284,567 (2020: £280,901).

Key elements of income:

- Proportion of UK income from individuals (63%) increased significantly vs 45% in 2020
- Events and “challenges” (supporter-originated sponsored activities) generated gross income of £12,150, from 5 separate fundraising events / activities.
- The emergency appeal for storm recovery work raised £30,372 from individuals and institutions (vs £87,000 from appeals in 2020)
- £495 received from a legacy. The Trust will continue to raise this as an opportunity for supporters, but we are aware that it is a very sensitive area and needs careful communication

The main grants received in 2021 were from:

Source	Amount (£)	Purpose
Deichmann Foundation	16,603	Storm recovery work / Schools build
Aidan Trust	7,000	Events Coordinator
Souter charitable Trust	5,000	General
James Tudor Foundation	5,000	General
PALS Madagascar fund	3,817	General
Andre Christian Trust	3,000	Storm recovery work / Schools build
Ashworth Trust	3,000	Storm recovery work / Schools build
Carmela and Ronnie Pignatelli foundation	2,500	General
Pedmore Trust	1,500	Storm recovery work / Schools build
Stichting Response Africa	1,500	Storm recovery work / Schools build
Scott-Thomson Trust	1,000	General
Britland Trust	500	General
Sydney E Franklin Charity	500	General

Key elements of expenditure:

- Total expenditure in Madagascar was £165,115 (2020: £168,178).
- £30,308 was used for the main disaster recovery project, rebuilding three schools in AmbatoBoeny, Madagascar
- The logistics for the 10 Medical Safaris, and 4 Medevac emergency airlifts cost £22,989
- Medicines and Medical equipment (total £19,662) continue to be a major cost, including the replacement of crucial equipment in the year.
- Expenditure in UK was £119,452 (2020: £108,086), primarily on people costs, and the new hovercraft project

The Trust is committed to maintaining regular funding for work in Madagascar to the current level if at all possible. Income already received and the ongoing level of donations makes this achievable through 2022.

### Balance Sheet

The Trust's policy is to aim to hold free reserves to the value of the committed expenditure during the subsequent three months. During the period this figure was deemed retrospectively to be £28,500 taking the average of regular costs 2021. This was achieved throughout the year. The Trust plans to continue to meet this policy aim through funds accessed from trusts, foundations and individuals.

### Board and Governance

The Hoveraid Trust Board is continuing to look to add appropriate members to the board. Richard Bell resigned from the board in October 2021. It is intended that the board should have five members at all times as a minimum. With the three new Trustees appointed in 2022 YTD (Hugh Pomeroy, Gilly Thomson, Apphia Bunting) we now have seven, which is the preferred number. The board meets via online Skype call on a monthly basis at a fixed time currently on the second Thursday of the month. The agenda for Board meetings includes formal reports submitted in advance and discussion of:

- Operations, programmes
- Financial position and forecast for HoverAid Trust
- Hovercraft status and developments, including Third Party collaborations
- Fundraising activities and plans including events
- Any "live" strategic issues requiring Trustees consideration

It is hoped to hold at least one face-to-face Board Meeting per year in future.

The regular review cycle for policies and procedures initiated in Q4 2020 continued with new / revised policies for Pay & Salaries, Reserves, Risk Management, Volunteer Management, and Vulnerable Beneficiaries approved by the Board in 2021.

The relationship between HoverAid Trust, HA Netherlands, and HA France has grown informally, through the HoverAid Trust CEO John Greaves building links, acting as the central point for sharing updates on activities in Madagascar and broader communications content.

The federated model for HoverAid operations remains in place under the overarching HoverAid International group. A Memorandum of Understanding was signed by all parties in 2021 to formalise governance arrangements and accountabilities. The group, chaired by HoverAid Netherlands chair Dick Loendersloot, met three times in 2021.

Further MoU's have been formalised between HoverAid and Mission Aviation Fellowship MAF (for transportation on Madagascar Medical Safaris) and for the multi-organisation MEDNET (HoverAid, MAF, HJelimision, MHM, Nehemia), for emergency medical evacuations and surgery in Madagascar requiring rapid response.

No new country entities were established in 2021. It is unlikely that there will be any in 2022, although potential re-starting of work in Papua New Guinea in response to local request for support using two hovercraft already based in PNG, and the possibility of new work in Zambia have been mooted. The trustees remain of the view that prudent and careful growth of the Trust as a stand-alone entity is necessary to achieve sustainability, whilst encouraging greater links with third party NGOs and Governmental Institutions.

### **Risks and Uncertainties**

**COVID.** The virus was prevalent in all countries where HoverAid is active during 2021. In Madagascar curfews and travel restrictions limited the delivery of ongoing work to some remote areas, and in the UK social distancing and similar restrictions were in place for part of the year.

***Mitigation:** Day-to-day HoverAid activities in UK were reorganized to be COVID-compliant, with extended home-working and business largely conducted via ZOOM and electronically. Physical "events" and their role in raising visibility, funds and the supporter base were limited for the first part of the year. Therefore increased efforts to communicate via technology, and raise funds through grants and directly with individual higher net worth individuals were pursued. In Madagascar the team were able to flex the project portfolio, to limit travel to specific areas, and focus partly on COVID-specific protection work.*

**Trust Income:** In the financial climate prevalent in the UK, the extended impact of COVID restrictions on individual attitudes to charitable giving, and the narrowed focus of grants from Trusts and Foundations limit the potential for Hoveraid income growth. Accessing grants from trusts continues to be challenging; we believe this to be largely due to the increasing volume of competing needs for funding from all charities, combined with the relative lack of national exposure to both the needs of remote rural communities, and more specifically Madagascar as a nation. This further reinforces HoverAid's commitment to see advocacy as a key element of reaching the unreachable.

***Mitigation:** Grant applications focus on Trusts and Foundations already known to HoverAid, and/or who have previously supported us. We continually seek to grow and refresh our supporter base including via the recruitment of a "Supporter Engagement" person, increased use of social media channels and direct communications via Mailchimp, media opportunities, direct appeals for specific projects and needs, and targeted advertising, as well as building the programme of fundraising events*

**Affordability of UK staff costs:** CEO costs are no longer partially subsidised by Aidan Trust, although they committed to part-fund the "Events Coordinator" role in 2021-22. Also these costs will continue with no certainty of the increased income needed to cover them; most grant funding is easier to obtain for specific " projects" primarily in the field.

***Mitigation:** We are seeking to grow general funds as well as specific "asks" for project funding, from trusts, foundations, organisations, and individuals. Project funding requests increasingly incorporate a proportion for administration and management support. Lower cost options such as part time leadership are under consideration if necessary.*

**Hovercraft Reliability:** Our current craft are 20+ years old and becoming increasingly unreliable. This constrains their use in the field. Reduced use of hovercraft in the field makes the unique positioning of HoverAid less tenable.

*Mitigation:* This led to the decision to build a new RiverRover hovercraft, with the design captured to enable build of further craft by any engineering organisation with the relevant competencies. A regular programme of maintenance, problem solving, and development for reliability is also needed, as well as clear strategic decisions on which of the current craft are likely to be serviceable in the medium term, and the costs involved.

**Hovercraft Safety:** Operating hovercraft entails a safety risk to the users and beneficiaries.

*Mitigation:* River Rover RR308 (used for demonstration and training purposes in the UK) was designed by HoverAid personnel with appropriate Civil Aviation Authority accreditation as required at the time; the subsequent Maritime and Coastguard Agency document incorporates revised advice based on consultation with a wide range of parties with interests in hovercraft and maritime safety. Where appropriate the revised document standards will be followed. Likewise, the trust aims to ensure compliance with the advisory Hovercraft Code, published by the MCA in 2015. In order to ensure safe and satisfactory outcomes at public events involving the hovercraft (RR308) the volunteer team has developed standard operating procedures covering the dissemination of safety information and the maintenance of a safe operating environment during displays, which have proven highly effective.

### Going Concern

As at 31<sup>st</sup> August 2022, the Trust's net current assets were £38,687 in unrestricted & designated funds (March 31<sup>st</sup> 2021: £49,551), and £44,094 of restricted funds (March 31<sup>st</sup> 2021: £70,886).

Nevertheless we seek to grow additional income from existing and new donors - both institutional and individual, and projects in Madagascar and UK are specifically budgeted and monitored following agreement on priorities in line with HoverAid's purposes. Donor management, social media, grant fundraising, and accounts / bookkeeping members of the team are volunteers, and specialist work such as newsletter publication is provided via project contracts.

We believe the Trust is on a sound financial footing, with confidence in the ability to fund further growth in future. To meet the ongoing funding requirements in 2022 and the longer term, the Trust continues to apply to grant funders in UK and Netherlands, for both general funds and restricted project needs. A programme of targeted events for 2022 is planned following analysis of Return on Investment for events going back to 2011. Fund raising Appeals have been found to be the optimum way to raise money for urgent work such as response to floods, storms and COVID. We will also seek specific funds to complete the project to build new RiverRover hovercraft in 2022.

The Trust has a successful history of obtaining funding from donations and grants so the Trustees believe these measures will ensure positive cash flow for the foreseeable future.

### Future Plans

David Wiltshire resigned as Chair and Trustee in January 2022. Gwyn Davies-Scourfield took over the Chair role. In addition three new Trustees have joined the Board (Hugh Pomeroy, Gilly Thomson, Apphia Bunting) since January 2022.

Gwyn and CEO John Greaves, together with Andy Mayo, were able to visit the HoverAid team in Madagascar in March 2022, participate in a Madagascar Medical Safari, survey the damage caused by Cyclone Batsirai in January 2022, and the ongoing recovery and rebuilding work HoverAid is doing. The visit also involved reviewing the implementation of recommendations from the December 2021 ETIKA review, providing encouragement and clarity of direction for the HoverAid team, guidance and progress on refurbishment of the RiverRover403 and Vortex 5 hovercraft, and meeting with the MAF country director.

The HoverAid Trust contribution to the achievement of the agreed 2021-2025 overall HoverAid International strategic plan is shown below:

**Strategic Focus I: Enlarge access of communities to life-changing interventions**

By the end of 2025, a total of 50,000 people living in remote areas have gained access to basic services like health care, water, sanitation and education and to improved livelihood opportunities since 2006.

Goal	Description	Plans for 2022
I.1	Increased operational capacity of hovercraft and logistic equipment and staff	UK: Complete new RiverRover (RR4B), ready to transport to Madagascar. Develop collaborations for future craft. Maintain RR308 for events.  MADA: Complete the refurbishment of RR403. Deploy the craft on "live" project. Complete repairs and refurbishment of Vortex 5 ready for use. Establish hovercraft responsibilities in the MADA team
I.2	Increased number of people reached by others using logistic services provided by HoverAid	UK: Formalise collaboration with IMPACT Madagascar. Progress discussions with other development organisations as they arise  MADA: Deliver logistics role for IMPACT Madagascar project. Continue MEDNET evasan collaboration with MAF and Nehemiah
I.3	Increased number of people reached, where no other development partners are present (yet).	UK: Raise sufficient core funding to provide the majority of funds needed to sustain HA MADA team and facilities, ensure 2 MADA hovercraft are fully functioning and deliver MMSs. Raise additional funding (mainly via specific funding appeals to supporters) to cover medical supplies and equipment.  MADA: Deliver 10 to 12 MMS's providing direct care for 5,000+ people. Scope and deliver Community health programme(s) in remote areas.
	Emergency response	UK: Build up reserves and raise funds to enable emergency responses.  MADA: Rebuild Ambaladara SALFA health post with associated well, water and sanitation provision. Build community well and school. Respond to disasters as needed, including initial surveys, emergency provision and recovery, rebuilding  Support MEDNET for 4-6 evasan response projects

**Strategic Focus II: Expand the supporter base**

By the end of 2025, the HoverAid federation has established a brand as an organisation for and with 12,500 committed 'young and dynamic' world citizens, and has a proven approach to connect them with unreached communities. For comparison: By the end of 2020, HoverAid had established a connection with a total of 7,500 people in four countries

Goal	Description	Plans for 2022
II	Enlarged support portfolio via four HoverAid member organisations, being sufficient to support planned life-changing programs to be implemented by Hover+Aid and for logistics services using hovercraft	UK: Increase regular UK subscribers to 1000+, including 200+ donors. Increase regular donation level. Grow social media presence via FBook / Twitter / LinkedIn.  Increase events programme. Stimulate supporter-led fundraising "challenges"  Maintain regular communications to UK supporter base via newsletter (to all subscribers), monthly prayer letters, and one-off communications. Develop "charity partner" relationships with companies and institutions.  MADA: Continue to capture and communicate video, photo and narrative of front-line work for dissemination to supporters. Develop collaboration partnerships.

**Strategic Focus III: Further develop institutional strengths**

By the end of 2025, HoverAid in UK, France, Netherlands, and Madagascar, together present a blend of organisations with distinct roles and strengths that operate from one unity of vision, mission and strategic direction, with purposeful guidance by HoverAid International.

Goal	Description	Plans for 2022
III	All HoverAid members have further strengthened their institutional structure and systems, balanced with personal and collective engagement based on the HoverAid vision and values.	Reconfirm overall HoverAid vision, mission, values across the confederation UK: Bring in additional new Trustees. Further build UK team, including recruitment of "Supporter Engagement" officer, and replacement of fundraising volunteer. Integrate HA MADA & UK financial information, systems and team. Agree and implement common accounting approach across HoverAid confederation. Confirm integrated website approach across HA International entities and implement  MADA: Implement necessary recommendations from the ETIKA review, including formal financial processes between RTM and HA, staff contracts, and robust sign off and cash usage processes.  Establish future-proofed management structure and roles

**Strategic Focus IV: Engage in partnerships with complementary organisations**

By the end of 2025, HoverAid is working in cooperation with five organisations which have complementary mission and services adding value to the mission of HoverAid in serving remote communities.

Goal	Description	Plans for 2022
IV	Established country programme partnerships with three operational organisations providing complementary services in two country programmes (Madagascar and a second country).	Ongoing collaborations in Madagascar with MAF, SALFA, Nehemia, IMPACT Madagascar Investigate and prioritise second country plans – Zambia? Papua New Guinea?

The Trust still wishes to be identified as a Cambridge charity. This is for three primary reasons:

- to capitalize on the local roots and history of HoverAid and hovercraft
- to further reinforce links with Cambridge-based institutions, including Cambridge University, and businesses we seek to bring in as partners in the new hovercraft project
- to build a local supporter base with a concentration of volunteers who are able to physically meet and self-identify as "HoverAid".

We will continue to do this by building the core operational team based at the Babraham office, holding local fund-raising events, visiting local schools, colleges, and business campuses to inspire people about our work.

The Hoveraid Trust would like to increase its income from all areas, grant making trusts, individual sponsors, legacies and events. This is required to enable completion of the new hovercraft build project and deliver the full range of planned projects in Madagascar.

Individual donations remain the largest percentage of UK income at 63% (vs 44.9% in 2020). We are targeting "higher net worth individuals" likely to be able to donate significant amounts (>£1,000), through personal connections. The Trust believes that, in spite of the challenges, there is more money available within the grant funding sector and would still like to see grant funding increasing considerably (27% in 2021); as such, we will continue to apply to trusts and grant funders. We will be pursuing corporate funding and legacies, as well as continuing to run public events, and participate in challenges and third-party events.

We plan a series of fund- and awareness-raising events in 2022, under the management of the Events Coordinator. Events in 2022 YTD have been an evening Quiz Night, hovercraft demonstrations and rides at the Swan School Oxford annual fete and for a week at the New Wine Christian festival, building awareness amongst the 10,000+ visitors there and gaining 103 new subscribed supporters. An Abseil challenge and various school talks and afternoons are planned.

It has been the clear intent of the board, following a strategic review in 2015, to grow the organisation to a significantly larger scale. This will require expertise, capacity and investment, and we will continue to strengthen the staff and Trustee team, bring fresh eyes, new skills and ideas to enable that expansion.

The board is satisfied that the charitable aims of the organisation as set out in the charitable document have been met and will continue to be met. The poorest and most disadvantaged remote communities are frequently and systematically overlooked by the wider humanitarian development sector and HoverAid will continue to strive to support those in greatest need, make the voice of the powerless heard, and reach the unreachable.

## Directors' Responsibilities Statement

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and Statements of Recommended Practice have been followed; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Trust will continue in operations.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust and which enable them to ensure that *the* financial statements comply with the Charities Act 2011 and the Companies Act 2006. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Exemption from audit:

For the period from 1<sup>st</sup> January 2021 to 31<sup>st</sup> December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

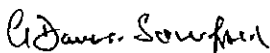
### Directors' responsibilities:

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476: and

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

### Declaration

The trustees declare that they have approved the trustees' report above. Signed on behalf of the Trust's trustees:



Gwyn Davies-Scourfield  
Trustee

## Independent Examiner's report to the trustees of The Hoveraid Trust

I report to the trustees on my examination of the accounts of The Hoveraid Trust (charity number 1005977) ("the Trust") for the year ended 31 December 2021 which comprise the statement of financial activities (including income and expenditure account), the balance sheet, the statement of cash flows and related notes 1 to 12.

### Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### Independent examiner's statement


The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of England and Wales (ICAEW).

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Allen Swann ACA  
(ICAEW membership number: 9293632)  
Cambridge, United Kingdom

  
Date: 4th October 2022

## Statement of Financial Activities

Year ended 31 December 2021

	Notes	Unrestricted funds	Designated funds	Restricted funds	Year ended	Unrestricted funds	Designated funds	Restricted funds	Year ended
		2021	2021	2021	31-Dec-21	2020	2020	2020	31-Dec-20
<b>Income</b>									
Income from:									
Donations, grants and legacies	4	132,831	--	94,805	227,637	149,086	1,030	148,956	299,071
Other fundraising activities	4	2,418	--	236	2,654	800	--	--	800
Income from charitable activities	4	26,117	--	0	26,117	9,758	--	--	8,758
Other income	4	10,538	--	0	10,538	6	--	--	6
<b>Total income</b>		<b>171,904</b>	<b>--</b>	<b>95,041</b>	<b>266,945</b>	<b>158,650</b>	<b>1,030</b>	<b>148,956</b>	<b>308,636</b>
<b>Expenditure on:</b>									
Raising funds	5	27,244	--	3,379	30,622	41,098	--	50	41,147
Charitable activities	5	101,431	4,818	110,322	216,571	105,078	--	98,293	203,371
Other expenditure	5	24,841	--	12,533	37,374	19,028	--	17,355	36,383
<b>Total expenditure</b>		<b>153,516</b>	<b>4,818</b>	<b>126,233</b>	<b>284,567</b>	<b>165,204</b>	<b>--</b>	<b>115,697</b>	<b>280,901</b>
<b>Net income/(expenditure) before transfer</b>		<b>18,388</b>	<b>(4,818)</b>	<b>(31,192)</b>	<b>(17,623)</b>	<b>(6,553)</b>	<b>1,030</b>	<b>33,258</b>	<b>27,735</b>
Gross transfers between funds – in	3	--	--	11,000	11,000	--	9,519	3,661	13,180
Gross transfers between funds - out	3	--	--	(11,000)	(11,000)	(13,180)	--	--	(13,180)
<b>Net movement in funds</b>		<b>18,388</b>	<b>(4,818)</b>	<b>(31,192)</b>	<b>(17,623)</b>	<b>(19,733)</b>	<b>10,548</b>	<b>36,919</b>	<b>27,735</b>
Total funds brought forward		58,139	14,460	81,639	154,239	77,872	3,913	44,719	126,504
<b>Total funds carried forward</b>	<b>3</b>	<b>76,527</b>	<b>9,642</b>	<b>50,447</b>	<b>136,616</b>	<b>58,139</b>	<b>14,461</b>	<b>81,638</b>	<b>154,239</b>

The statement of financial activities includes all gains and losses in the year. All activities are derived from continuing operations

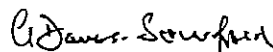
## Balance Sheet

Year ended 31 December 2021

	Notes	Unrestricted funds 2021	Designated funds 2021	Restricted funds 2021	Year ended 31-Dec-21	Unrestricted funds 2020	Designated funds 2020	Restricted funds 2020	Year ended 31-Dec-20
<b>Fixed assets</b>									
Tangible assets	2,9	47,482	–	6,352	53,835	50,489	–	–	50,489
<b>Current assets</b>									
Debtors	2	5,078	–	–	5,078	3,983	18	87	4,088
Cash at bank and in hand	2	29,346	9,642	44,094	83,082	7,784	14,458	81,596	103,839
<b>Liabilities</b>									
Creditors: Amounts falling due in one year	2	(5,379)	–	–	(5,379)	(4,116)	(15)	(46)	(4,177)
<b>Net current assets less current Liabilities</b>		29,045	9,642	44,094	82,781	7,650	14,461	81,638	103,750
<b>Total Net assets</b>		76,528	9,642	50,446	136,616	58,139	14,461	81,638	154,239
<b>Represented by</b>									
General fund	3	76,528	–	6,352	82,880	58,139	–	–	58,139
Designated fund	3	–	9,642	–	9,642	–	14,461	–	14,461
Restricted Funds	3	–	–	44,094	44,094	–	–	81,638	81,638
<b>Funds of the charity</b>	3	76,528	9,642	50,446	136,616	58,139	14,461	81,638	154,239

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime. The accounts of The Hoveraid Trust (registered number 02661888) were approved by the board of directors and authorised for issue on the date shown below. Signed on behalf of the trustees

Gwyn Davies-  
 Scourfield, Trustee



Date: 29<sup>th</sup> September 2022

**Statement of Cash Flows**  
 Year ended 31 December 2021

	Notes	Year ended 31-Dec-21	Year ended 31-Dec-20
<b>Cash flows from operating activities:</b>			
Cash used in operating activities	6	(10,607)	45344
<b>Net Cash used in operating activities</b>		<b>(10,607)</b>	<b>45344</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		2	6
Purchase of property, plant and equipment		(10,152)	--
<b>Net cash (used in) provided by investing activities</b>		<b>(10,150)</b>	<b>6</b>
<b>Cash flows from financing activities:</b>			
Cash inflows from new borrowing		--	--
<b>Net cash provided by financing activities</b>		<b>--</b>	<b>--</b>
Change in cash and cash equivalents in the reporting period		(20,757)	45350
Cash and cash equivalents at the beginning of the reporting period		103839	58489
Change in cash and cash equivalents due to exchange rate movements		--	--
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>83,082</b>	<b>103839</b>

# Notes to the Financial Statements

## Year ended 31 December 2021

### 1. Accounting Policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and the preceding year.

#### Basis of preparation

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The financial statements are prepared under the historical cost convention, in accordance with:

- Charities SORP 2015, in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council;
- United Kingdom accounting standards in accordance with s396 of the Companies Act 2006; and
- The Charities Act 2011.

#### Going concern

The Trust has a strong history of obtaining funding from donations and grants and is currently engaged in further fundraising activities. The trustees believe that the Trust will be able to maintain positive cash flows for the foreseeable future. As a result the going concern basis of accounting has been adopted. More details are provided in Note 13.

#### Recognition of income

Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the income;
- the trustees are consider it more likely than not that they will receive the income; and
- the monetary value can be measured with sufficient reliability.

#### Income with related expenditure

Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

#### Grants and donations

Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

#### Tax reclaims on donations and gifts

Incoming resources from tax reclaims are included in the SoFA at the same time as the gift to which they relate.

#### Investment income

Investment income is included in the accounts when receivable.

## Notes to the Financial Statements - continued

### Year ended 31 December 2021

#### Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

#### Grants issued

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output. Grants payable without performance conditions are only recognised in the accounts when a commitment has been made and there are no conditions to be met.

#### Tangible fixed assets

Tangible fixed assets are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or a reasonable value on receipt. Depreciation is charged on tangible fixed assets over the following periods which are designed to write off their costs over their estimated useful lives:

- Hovercraft 10 years (straight line)
- Computer equipment 3 years (straight line)
- Vehicles 5-10 years (straight line)

## 2. Statement of assets and liabilities

Year ended 31 December 2021

	Unrestricted	Designated	Restricted	Year ended	Unrestricted	Designated	Restricted	Year ended
	2021	2021	2021	31-Dec-21	2020	2020	2020	31-Dec-20
<b>Fixed assets</b>	--	--	6,352	6,352	--	--	--	--
Assets under construction	3,737	--	--	3,737	158	--	--	158
Vehicles - general cost	12,290	--	--	12,290	14,749	--	--	14,749
Engines - general cost	--	--	--	--	--	--	--	--
Office & IT equipment	26,918	--	--	26,918	29,909	--	--	29,909
MADA-based motor vehicles cost	4,538	--	--	4,538	5,672	--	--	5,672
Medical equipment cost	47,482	--	6,352	53,835	50,488	--	--	50,489
<b>Current assets</b>	22,845	9,642	25,173	57,660	7,106	14,458	63,714	85,288
Cash - treasurers account	2,902	--	15,000	17,902	27	--	17,873	17,900
Cash - business account	10	--	--	10	--	--	--	--
Cash - Paypal	2,050	--	3,922	5,971	651	--	--	651
HA MADA cash and bank account	1,540	--	--	1,540	--	--	--	--
Undeposited funds	29,346	9,642	44,094	83,082	7,784	14,458	81,587	103,839
<b>Total cash</b>	643	--	--	643	1,889	--	--	1,889
Prepayments	1,087	--	--	1,087	375	--	9	384
Accounts receivable	538	--	--	538	504	18	78	600
VAT receivable	1,414	--	--	1,414	--	--	--	--
Gift Aid Claimable	1,396	--	--	1,396	1,215	--	--	1,215
HA MADA Accounts receivable	5,078	0	0	5,078	3,983	18	87	4,088
<b>Total debtors</b>	<b>34,424</b>	<b>9,642</b>	<b>44,094</b>	<b>88,161</b>	<b>11,767</b>	<b>14,476</b>	<b>81,674</b>	<b>107,927</b>
<b>Liabilities</b>	(984)	--	--	(984)	(1,643)	--	--	(1,643)
Accruals	(3,687)	--	--	(3,687)	(2,473)	--	(46)	(2,519)
Payroll Liabilities	(708)	--	--	(708)	--	(15)	--	(15)
Accounts payable within one year	(5,379)	--	--	(5,379)	(4,116)	(15)	(46)	(4,177)
	29,045	9,642	44,094	82,781	7,650	14,461	81,638	103,750
<b>Net Current Assets</b>	<b>76,527</b>	<b>9,642</b>	<b>50,446</b>	<b>136,616</b>	<b>58,139</b>	<b>14,461</b>	<b>81,638</b>	<b>154,239</b>
<b>Net Assets</b>								

**3. Fund Movement by Type**  
**Year ended 31 December 2021**

	At 1 Jan 2021	Incoming	Outgoing	Transfers	At 31 Dec 2021
<b>Restricted funds</b>					
A.Mayo overseas work support	2,805	--	--	--	2,805
CEO	5,120	--	5,120	--	--
Community Health Prog (Gen)	19,813	358	13,920	--	6,251
Emergency Relief – Cyclone	11,785	26,781	30,308	--	8,257
G1500 Refurb & Maintenance	13,373	324	2,428	(8,000)	3,269
Events	1,613	8,870	6,299	3,000	7,184
New Hovercraft RR4B	55	11,241	6,352	8,000	12,943
Madagascar legacy buffer	19,722	--	19,722	--	--
Not A.Mayo	662	--	662	--	--
Schools Work	3,000	--	--	(3,000)	--
Souter 19	300	--	300	--	--
Volunteer support fund	3,385	--	--	--	3,385
	<b>81,633</b>	<b>47,574</b>	<b>85,112</b>	<b>--</b>	<b>44,094</b>
<b>Designated</b>					
Annual significant	4,318	--	4,318	--	--
Reserves	5,804	3,720	1,000	--	8,524
Volunteer support fund (unrestricted)	558	--	558	--	--
ER-Contingency	3,780	1,683	4,345	--	1,118
	<b>14,460</b>	<b>5,403</b>	<b>10,221</b>	<b>--</b>	<b>9,642</b>
<b>Unrestricted</b>					
General fund	58,140	137,419	112,679	--	82,880
	<b>58,140</b>	<b>137,419</b>	<b>112,679</b>	<b>--</b>	<b>82,880</b>
<b>TOTAL FUNDS</b>	<b>154,233</b>	<b>190,395</b>	<b>208,012</b>	<b>--</b>	<b>136,616</b>

### **3. Fund Movement by Type continued**

**Year ended 31 December 2021**

The A Mayo overseas work support fund is used to pay for costs associated with periods when A Mayo is working outside the UK. There were no such periods The CEO fund was used to pay salary and associated costs incurred relating to the Chief Executive Officer. This fund was exhausted during 2021.

Community Health Programme funds were used to support the Community Health Programme (CHP) in Madagascar

Emergency Relief - Cyclone fund was used to fund relief work relating to communities affected by cyclones

The Griffon 1500 fund was for refurbishment work on the Griffon 1500 hovercraft in the UK. In 2021 £8,000 was transferred to the New Hovercraft Fund by agreement with the original donor.

The Events fund was used to support fundraising events during 2021. £3,000 was transferred from the "Schools Work Fund" by agreement with the original donor

The New Hovercraft fund was established to hold money donated towards construction of the RR4B hovercraft.

The Madagascar Legacy buffer (restricted) was created from a single legacy only to be used in Madagascar and has been exhausted in 2021

The "Not A.Mayo" fund is for activities with the exception of payments directly to A.Mayo and has been exhausted in 2021

The restricted Volunteer Support Fund was established to enable UK based people to volunteer with HoverAid Madagascar. This was not used in 2021.

The unrestricted Volunteer Support Fund was established to enable UK based people to volunteer with HoverAid Madagascar. This was exhausted in 2021.

A designated fund, called "Annual Significant" was created in 2019 for holding funds to pay for regular expected significant annual expenditure. This was exhausted in 2021. Anticipated expenses are now accumulated as an accrued liability.

**3. Fund Movement by Type 2020**  
Year ended 31 December 2020

	At 1 Jan 2020	Incoming	Outgoing	Transfers	At 31 Dec 2020
<b>Restricted funds</b>					
A.Mayo overseas work support	2,805	–	–	–	2,805
CEO	–	20,000	18,541	3,661	5,120
Community Health Prog (Gen)	479	41,043	22,174	–	19,348
Emergency Relief – Cyclone	108	45,413	33,736	–	11,785
Fundraising Temporary re-restriction	–	99	–	–	99
G1500 Refurb & Maintenance	12,850	523	–	–	13,373
Events	–	2,002	487	–	1,514
Hovercraft Maintenance	4	51	0	–	55
Madagascar	10,385	500	10,033	–	852
Madagascar legacy buffer	13,705	5,780	615	–	18,870
Madagascar Volunteer Trip (2015)	250	–	–	–	250
Hoveraid Netherlands & France	–	27,973	27,973	–	0
Not A.Mayo/J Ruttle/M Satchwell	196	1,772	1,306	–	662
Schools Work	–	3,000	–	–	3,000
Souter 19	300	–	–	–	300
Volunteer support fund	3,167	800	833	–	3,135
Watsan	465	–	–	–	465
	<b>44,719</b>	<b>148,956</b>	<b>115,697</b>	<b>3,661</b>	<b>81,633</b>
<b>Designated</b>					
Annual significant	1,270	–	–	3,048	4,318
Reserves	2,084	–	–	3,720	5,804
Volunteer support fund (unrestricted)	558	–	–	–	558
ER-Contingency	1,030	–	–	2,751	3,780
	<b>4,942</b>	<b>–</b>	<b>–</b>	<b>9,519</b>	<b>14,460</b>
<b>Unrestricted</b>					
General fund	77,873	158,650	165,204	(13,180)	58,140
	<b>77,873</b>	<b>158,650</b>	<b>165,204</b>	<b>(13,180)</b>	<b>58,140</b>

#### 4. Analysis of income

Year ended 31 December 2021

	Unrestricted	Designated	Restricted	Year ended	Unrestricted	Designated	Restricted	Year ended
	2021	2021	2021	31-Dec-21	2021	2021	2021	31-Dec-20
<b>Income from donations, grants and legacies</b>								
Donations Businesses	7,983	--	--	7,983	3,390	--	--	3,390
Donations Legacies	--	--	--	--	--	--	--	--
Donations Individuals:								
Regular	38,719	--	744	39,463	31,861	--	2,152	34,013
One off	39,092	--	17,586	56,678	50,356	--	27,867	78,223
Gift Aid	18,439	--	2,342	20,781	13,216	--	4,062	17,278
Donations Churches	6,080	--	1,870	7,950	4,512	--	3,500	8,012
Donations Community	--	--	--	--	466	--	--	466
Grants: Trusts and Foundation	22,518	--	28,452	50,971	12,398	1,030	83,403	96,831
Grants from Hovercraft International	--	--	43,811	43,811	22,887	--	27,973	50,859
Grants - Government	--	--	--	--	10,000	--	--	10,000
<b>Sub-total</b>	<b>132,831</b>	<b>--</b>	<b>94,805</b>	<b>227,637</b>	<b>149,086</b>	<b>1,030</b>	<b>148,957</b>	<b>299,071</b>
<b>Other fundraising activities</b>								
Events	2,418	--	236	2,654	800	--	--	800
<b>Sub-total</b>	<b>2,418</b>	<b>--</b>	<b>236</b>	<b>2,654</b>	<b>800</b>	<b>--</b>	<b>--</b>	<b>800</b>
<b>Income from charitable activities</b>								
Income from HA MADA clients	24,121	--	--	24,121	6,726	--	--	6,726
Income from MMS project	1,996	--	--	1,996	2,032	--	--	2,032
<b>Sub-total</b>	<b>26,117</b>	<b>--</b>	<b>--</b>	<b>26,117</b>	<b>8,758</b>	<b>--</b>	<b>--</b>	<b>8,758</b>
<b>Other income</b>								
HA MADA other income	10,497	--	--	10,497	--	--	--	--
Other income (UK)	40	--	--	40	6	--	--	6
<b>Sub-total</b>	<b>10,538</b>	<b>--</b>	<b>--</b>	<b>10,538</b>	<b>6</b>	<b>--</b>	<b>--</b>	<b>6</b>
<b>TOTAL INCOME</b>	<b>171,904</b>	<b>--</b>	<b>95,041</b>	<b>266,945</b>	<b>158,650</b>	<b>1,030</b>	<b>148,956</b>	<b>308,635</b>

## 5. Analysis of expenditure

Year ended 31 December 2021

	Unrestricted	Designated	Restricted	Year ended	Unrestricted	Designated	Restricted	Year ended
	2021	2021	2021	31-Dec-21	2020	2020	2020	31-Dec-20
Direct Costs	7,307	--	--	7,307	3,860	--	--	3,860
UK Staff	19,937	--	3,379	19,937	37,237	--	--	37,237
<b>Expenditure on Raising Funds</b>	<b>27,244</b>	<b>--</b>	<b>3,379</b>	<b>30,622</b>	<b>41,097</b>	<b>--</b>	<b>50</b>	<b>41,147</b>
<b>Expenditure on Charitable activities (UK)</b>								
UK Support Staff	25,512	--	--	25,512	10,971	--	35,410	46,381
Travel	2,198	--	16	2,214	6,619	--	--	6,619
Outside services	250	--	0	250	5,700	--	884	6,584
Engineering Costs	2,575	--	2,645	5,221	3,247	--	--	3,247
Premises	5,112	--	288	5,401	1,194	--	810	2,004
Vehicle Costs	2,937	--	936	3,873	4,374	--	--	4,374
Vehicle Depreciation	222	--	0	222	553	--	--	553
Engine Depreciation	--	--	2,459	2,459	2,459	--	--	2,459
Mada Depreciation	4,125	--	--	4,125	--	--	--	--
Office costs	1,969	--	212	2,181	4,549	--	--	4,549
<b>Sub-total</b>	<b>44,899</b>	<b>--</b>	<b>6,556</b>	<b>51,456</b>	<b>39,665</b>	<b>--</b>	<b>37,104</b>	<b>76,770</b>
<b>Expenditure on Charitable activities in Madagasc <sup>3F</sup></b>								
Office Expenses	38,077	4,818	39,056	81,951	16,616	--	39,186	55,802
Project Expenses	--	--	69,528	69,528	28,397	--	22,003	50,400
Vehicle Expenses	13,637	--	--	13,637	20,400	--	--	20,400
<b>Sub-total</b>	<b>51,714</b>	<b>4,818</b>	<b>108,584</b>	<b>165,115</b>	<b>65,413</b>	<b>--</b>	<b>61,189</b>	<b>126,602</b>
<b>Expenditure on Other Activities</b>								
Trustee/Director fees, training & Dev	--	--	--	--	60	--	--	60
UK Staff	22,190	--	5,120	27,310	6,544	--	15,825	22,369
Travel	--	--	--	--	149	--	--	149
Outside services	1,504	--	--	1,504	12,000	--	1,500	13,500
Finance costs & fees	4,961	--	338	5,299	1,060	--	30	1,090
Legal & Professional	3,213	--	560	3,773	415	--	--	415
Bad Debt	--	--	--	--	(1,200)	--	--	(1,200)
<b>Sub-total</b>	<b>31,356</b>	<b>--</b>	<b>6,018</b>	<b>37,374</b>	<b>19,028</b>	<b>--</b>	<b>17,355</b>	<b>36,383</b>
<b>TOTAL EXPENDITURE</b>	<b>160,031</b>	<b>4,818</b>	<b>119,718</b>	<b>284,567</b>	<b>165,203</b>	<b>--</b>	<b>115,698</b>	<b>280,902</b>

**6. Reconciliation of net income/(expenditure) to net cash flow from operating activities**  
 Year ended 31 December 2021

	Year ended 31-Dec-21	Year ended 31-Dec-20
Net income/(expenditure) for the year (as per the statement of financial activities)	(17,623)	27,735
Adjustments for:		
Grants received in kind as fixed assets		
Interest Receivable	(2)	(6)
Depreciation charges	6,806	16,403
Decrease/(Increase) in debtors	(990)	791
Increase/(Decrease) in creditors	1,202	422
Net cash used in operating activities	(10,607)	45,344
Analysis of cash and cash equivalents		
Cash in hand	93,232	103,839
Total cash and cash equivalents	93,232	103,839

## 7. Information regarding trustees and employees Year ended 31 December 2021

Average number of persons employed including trustees:

	Year ended 31-Dec-21	Year ended 31-Dec-20
Governance	6	6
Administration/ Fundraising/Charitable activities	26	24
<b>Total Persons</b>	<b>32</b>	<b>30</b>

No emoluments or expenses were paid to trustees during the year (2020: £nil). There was one employee of the charity in UK during the year (2020: one), other than the trustees. The other employees are in HA Madagascar

In 2021 employer pension contributions totalled £786 (2020: £714)

During the year the charity utilised three contractors (2020: four)

	Unrestricted		Designated		Restricted		Year ended	
	2021	2021	2021	2021	2020	2020	31-Dec-20	31-Dec-20
<b>Employee Salary</b>								
Fundraising	2,551	--	--	--	8,869	--	8,869	8,869
Charitable Activities	20,359	--	5,090	--	10,970	--	35,410	46,381
Administration	9,709	--	12,197	--	6,544	--	6,544	6,544
<b>Contractor fees</b>								
Fundraising	19,630	--	2,560	--	28,368	--	2,500	30,868
Charitable Activities	1,285	--	--	--	6,584	--	500	7,084
Administration	28,121	--	1,000	--	12,000	--	1,500	13,500
<b>Total</b>	<b>81,655</b>	<b>--</b>	<b>20,847</b>	<b>--</b>	<b>73,336</b>	<b>--</b>	<b>39,910</b>	<b>113,246</b>

### 8. Net income/outgoing resources

Net incoming/outgoing resources is stated after charging:

	Unrestricted 2021	Designated 2021	Restricted 2021	Year ended 31-Dec-21	Unrestricted 2020	Designated 2020	Restricted 2020	Year ended 31-Dec-20
Depreciation on tangible fixed assets	6,806	--	--	6,352	16,403	--	--	16,403
Independent examiners fees	--	--	--	--	--	--	--	--
<b>TOTAL Charges</b>				<b>6,352</b>				<b>16,403</b>

### 9. Fixed Assets

Cost	Vehicles	Engines	MADA Vehicles	Medical Equipment	Under Construction	TOTAL
<i>At 31 Dec 2020</i>	4,955	24,585	30941	7219	--	67,700
<b>Additions</b>						
<i>At 31 Dec 2021</i>	3,800	--	--	--	6,353	10,153
<b>Cost at 31 Dec 2021</b>	<b>8,755</b>	<b>24,585</b>	<b>30,941</b>	<b>7,219</b>	<b>6,353</b>	<b>77,853</b>
<b>Depreciation</b>						
<i>At 31 Dec 2020</i>	4,797	9,836	1,032	1,547	--	17,212
<b>Charge for the year</b>						
<i>At 31 Dec 2021</i>	222	2,459	2990.9	1134.4	--	6,806
<b>Net book value</b>						
<i>At 31 Dec 2020</i>	158	14,749	29,909	5,672	--	50,488
<i>At 31 Dec 2021</i>	3,736	12,290	26,918	4,538	6,353	53,835

**10. Related party balances**

No trustee or any other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year, other than as recorded in note 8.

**11. Ultimate controlling party**

In the opinion of the trustees, the charity has no ultimate controlling party.

**12. Critical accounting judgments and key sources of estimation uncertainty**

In application of the Trust's accounting policies which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from estimates.

**Revenue recognition**

The Trust recognises grant income to the extent it is entitled to the funds, has fulfilled the conditions set out by the grant funder and where the amount can be quantified with reasonable probability. Judgement is required to determine the point at which these conditions have been met. The Trust assesses each grant on an ongoing basis to evaluate progress against grant conditions.

**Impairment of assets**

The Trust holds substantial fixed assets, principally hovercraft used in its charitable activities. Judgement is required to assess whether these assets will continue to derive value for the organisation. The Trust impairs assets where they are no longer considered to provide benefit to the users. No impairment was recorded in the current or previous year.

**Capital vs operating expenditure**

The Trust's activities include the refurbishment and maintenance of existing hovercraft. The Trust evaluates the nature of this spend to assess which relates to new and enhanced assets and therefore capitalised, and which is maintenance of existing assets and therefore expensed.