

Charity number: SC025640
Company number: SC170889

THE GLOBAL CONCERNS TRUST
ANNUAL REPORT & ACCOUNTS
YEAR ENDED 31 MARCH 2020

**THE GLOBAL CONCERNS TRUST
ANNUAL REPORT
YEAR ENDED 31 MARCH 2020**

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LEGAL AND ADMINISTRATIVE INFORMATION

Company number SC170889
Registered charity number SC025640

Board of trustees

Mara Menzies
Richard Firth
Eileen Henderson
Zara Christie
Emma Duncan

Company Secretary & Legal Advisor

Daniel Onifade

Registered office & Principal address

105 Harrison Road,
Edinburgh
EH11 1LT

Advisors:

Bankers

The Royal Bank of Scotland
239 St John's Road
Edinburgh
EH12 7XA

Independent examiner

Ian B Wilson C.A.,
4A High Street,
Bonnyrigg
EH19 2AA

The trustees have pleasure in presenting their Annual Report and Accounts for the year ended 31 March 2020.

Compliance with existing law

The accounts comply with the requirements of the Charities & Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Statement of Recommended Practice “Accounting and Reporting by Charities” 2005 and the Companies Act 2006, and are in accordance with the trust’s constitution.

Structure & governance

The Global Concerns Trust was established by trust deed on 24 December 1996, and later incorporated under the Companies Act 2006. The management of the trust is the responsibility of the trustees who are appointed under the terms of the trust deed. Induction of new trustees is conducted at their first meeting. Administration of the trust is undertaken by the trustees. No charge is made for this service, however the Articles of Association allow that reasonable expenses be payable when approved by the Finance Committee.

Objectives

- To carry out small scale development projects in Africa and Asia through partner organisations in selected countries.
- To increase awareness in the UK, particularly in Scotland, of our development work, the challenges we face, and our successes. We aim to encourage participation and discussion.

Review of activities

Malawi

Tools and Training for Livelihood in Malawi Project 3

GCT is at the end of the second year of a four and a half year project (Oct 2018 – March 2023), Tools and Training for Livelihood in Malawi Project 3, supported by The Scottish Government. We have continued to work with our partners MACOHA and KODO to provide vocational training, business skills, solar panels, start-up tools and materials to 72 adults with disabilities in the districts of Ntcheu, Nkhonkhotakota and Salima. We sent a shipment of tools, conducted a visit to Malawi, produced booklets and attended awareness raising events in Scotland.

India

Towards the end of the previous financial year (in January 2019), we paid half the school fees of 20 pupils (14 girls and 6 boys) to cover the school year starting in April 2019, to support our partners Global Concerns India (GCI) with the Assisted Learning Project (ALP) in India. The ALP is a post literacy or after school learning support. The children supported through the ALP come from various backgrounds, including those rescued from child labour, and children at risk of being trafficked. GCI pays 50% of a child’s school fees, and the remaining 50% is paid by the children’s parents. The ALP addresses the learning needs of children in the formal school syllabus and further promotes life-long learning.

India (continued)

We had to postpone the transfer of funds for the 2020-2021 school year due to a restriction that the Indian Government has put in place. GCI have also been busy this year completing the Children's Creativity Centre within a slum in Bangalore and we have secured a further £2000 to support this. We have continue liaising with partners in response to ongoing work and lifting of the restriction.

Kenya

Our partnership with 'Mbegani Rising' in Kenya has continued in a variety of ways. We have supported the purchase of 'vermin proof' containers for the coconut and soap making projects, after an infestation of rats destroyed a significant amount of their ingredients. We have also match-funded to the tune of £300, an agricultural grant from the Kwale County government, enabling the community to purchase a number of items necessary for the yield of fruit and vegetables.

In addition, GCT funded a separate training session to teach the community about vertical gardening, a 'smart-farming' system which requires less water, less labour, and provides a higher yield of crop. Several gardens were created around Mbegani Rising's training centre, with a rotation list for watering and caring for the crops. We have tried to provide a small amount of assistance with regard COVID 19, by donating some money to purchase food at a wholesaler to ensure the community has access to increasingly limited supplies.

Risk management

The management committee have conducted their own review of the major risks to which the trust is exposed and of the systems in place to mitigate those risks. Where appropriate, actions required to strengthen the existing systems and procedures have been identified and progress will be monitored. An annual review of the major risks faced by the charity, and the systems and procedures in place to deal with those risks has been undertaken by the trustees.

Review of financial position

Restricted funds:

Instalments of grant amounting to £139,763 for Project 3 were received in the year from the Scottish Government for vocational training projects in Malawi.

Grants and related costs amounting to £130,851 were made to Malawi, leaving a balance of £12,163 on the Malawi fund.

Grants amounting to £504 was paid out to Kenya leaving a balance of £10.

Unrestricted funds:

Donations and fund raising brought in £3,578.

Expenditure of £1,701 was made and a transfer of £230 made to the restricted Malawi fund leaving an accumulated balance on unrestricted funds of £16,648. This figure includes funds designated by the trustees for Malawi £2,890, for India £3,354 and for Kenya £540.

Further details of the transfers between the various funds is given in notes 8 & 9 to the accounts.

Total funds under management at 31 March 2020 amounted to £28,821

Reserves policy

The Trust has no policy for accumulating reserves. When funding is received it is normally utilised in the same financial year, and when a surplus does arise this is normally utilised in the following financial year.

Trustees' responsibilities

Charity law 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 trust and of the surplus or deficit of the trust for that period.

In preparing the financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities & Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Companies Act 2006. They are also responsible for safeguarding the assets of the trust and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees on 31 May 2020 and signed on their behalf by Zara Christie.

Trustee

Zara Christie

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE GLOBAL CONCERNS TRUST**

I report on the accounts of the charity for the year ended 31 March 2020 which are set out on pages 6 to 11.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10(1)(d) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

1. which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 44(1)(a) of the Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed



Date 31 May 2020

Chartered Accountant

Ian B Wilson C.A.
4A High Street,
Bonnyrigg
EH19 2AA

THE GLOBAL CONCERNS TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(incorporating INCOME & EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2020

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| | <u>Notes</u> | Unrestricted Funds <u>2020</u> £ | Restricted Funds <u>2020</u> £ | Total Funds <u>2020</u> £ | Total Funds <u>2019</u> £ |
|------------------------------------|--------------|-------------------------------------------|-----------------------------------------|---------------------------------|---------------------------------|
| Income from: | | | | | |
| Donations | 3 | 1,154 | 139,763 | 140,917 | 140,832 |
| Other trading activities | 4 | 2,424 | - | 2,424 | - |
| Total income | | <u>3,578</u> | <u>139,763</u> | <u>143,341</u> | <u>140,832</u> |
| Expenditure on: | | | | | |
| Raising funds | 5 | 175 | 1,238 | 1,413 | 1,610 |
| Charitable activities | 6 | 1,526 | 130,117 | 131,643 | 135,671 |
| Total expenditure | | <u>1,701</u> | <u>131,355</u> | <u>133,056</u> | <u>137,281</u> |
| Net income/(expenditure) | | 1,877 | 8,408 | 10,285 | 3,551 |
| Transfers between funds | | <u>(230)</u> | <u>230</u> | <u>-</u> | <u>-</u> |
| Net movement in funds | | 1,647 | 8,638 | 10,285 | 3,551 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 15,001 | 3,535 | 18,536 | 14,985 |
| Total funds carried forward | 10 | <u><u>16,648</u></u> | <u><u>12,173</u></u> | <u><u>28,821</u></u> | <u><u>18,536</u></u> |

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

Comparative figures for movements on funds are shown in Notes 8 and 9.

THE GLOBAL CONCERNS TRUST
BALANCE SHEET
31 MARCH 2020

Company number: SC170889

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| | <u>Notes</u> | <u>2020</u> £ | <u>2019</u> £ |
|-------------------------------------------------|--------------|------------------|------------------|
| Current assets: | | | |
| Cash at bank | | 29,121 | 18,824 |
| Total current assets | | 29,121 | 18,824 |
| Liabilities: | | | |
| Creditors : amounts falling due within one year | 7 | 300 | 288 |
| Net current assets | | 28,821 | 18,536 |
| Net assets | 10 | <u>28,821</u> | <u>18,536</u> |
| The funds of the charity: | | | |
| <u>Restricted income funds</u> | | | |
| Malawi | 8 | 12,163 | 3,021 |
| Kenya | 8 | 10 | 514 |
| Total restricted income funds | | <u>12,173</u> | <u>3,535</u> |
| <u>Unrestricted income funds</u> | | | |
| Designated funds | | 6,784 | 5,572 |
| General fund | | 3,686 | 3,647 |
| Undesignated project funds | | 6,178 | 5,782 |
| Total unrestricted income funds | 9 | <u>16,648</u> | <u>15,001</u> |
| Total funds | 10 | <u>28,821</u> | <u>18,536</u> |

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

The directors acknowledge their responsibilities for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as is applicable to the company.

The directors acknowledge their responsibilities for ensuring the company keeps accounting records which comply with section 386 of the Companies Act 2006.

For the year ended 31 March 2020 the company was entitled to exemption from audit under section 477(2) of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The accounts were approved by the trustees on 31 May 2020 and signed on their behalf by
Zara Christie.

Zara Christie

Trustee

1. ACCOUNTING POLICIES

(a) Basis of preparation

The accounts are prepared under the historical cost convention and comply with applicable United Kingdom accounting standards, the Statement of Recommended Practice FRS102 SORP, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities & Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

(b) Incoming Resources

Income from grants is credited to the Statement of Financial Activities in the year to which they relate.

Other voluntary income is accounted for when its receipt is probable.

(c) Expenditure allocation

Where possible expenditure is classified under the principal categories of charitable and governance. Charitable activities include grants, donations and support costs. Governance costs consist of examination fees and other costs concerned with governance. Where costs cannot be directly attributed, the allocation is done on an equitable basis.

(d) VAT

The charity is not registered for VAT and accordingly expenditure includes irrecoverable VAT where applicable.

(e) Liabilities are recognised on the basis of goods or services invoiced to the charity within the financial year. Invoices relating to the financial year which are received or paid after that date are accrued.

(f) Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Within this category designated funds may be set up at the discretion of the trustees. These are unrestricted funds which the trustees earmark for specific projects.

- Restricted funds - these are funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2. EMPLOYEES AND TRUSTEES' EXPENSES

The Trust has no paid employees.

One trustee, Emma Duncan, provided services in overseeing the development work of the Trust. The total paid to her in the year, as allowed by the Articles of Association and approved by the Finance Committee, was £19,263 (2019 - £16,395).

Expenses were reimbursed to 5 trustees for various costs paid by them to third parties. The total for the year was £5,183 (2019 - £3,123).

3 VOLUNTARY INCOME

| | <u>Unrestricted</u> <u>Funds</u> <u>2020</u> £ | <u>Restricted</u> <u>Funds</u> <u>2020</u> £ | <u>Total Funds</u> <u>2020</u> £ | <u>Total Funds</u> <u>2019</u> £ |
|--------------------------------------|---------------------------------------------------------|-------------------------------------------------------|----------------------------------------|----------------------------------------|
| Grants received : | | | | |
| Scottish Government Malawi Project 3 | - | 139,763 | 139,763 | 134,143 |
| Donations | 1,154 | - | 1,154 | 5,516 |
| Gift aid tax recovered | - | - | - | 1,173 |
| | <u>1,154</u> | <u>139,763</u> | <u>140,917</u> | <u>140,832</u> |

4 ACTIVITIES FOR RAISING FUNDS

| | <u>Unrestricted</u> <u>Funds</u> <u>2020</u> £ | <u>Restricted</u> <u>Funds</u> <u>2020</u> £ | <u>Total Funds</u> <u>2020</u> £ | <u>Total Funds</u> <u>2019</u> £ |
|-------------------|---------------------------------------------------------|-------------------------------------------------------|----------------------------------------|----------------------------------------|
| Events income | 2,409 | - | 2,409 | - |
| Other fundraising | 15 | - | 15 | - |
| | <u>2,424</u> | <u>-</u> | <u>2,424</u> | <u>-</u> |

5 EXPENDITURE ON RAISING FUNDS

| | <u>Unrestricted</u> <u>Funds</u> <u>2020</u> £ | <u>Restricted</u> <u>Funds</u> <u>2020</u> £ | <u>Total Funds</u> <u>2020</u> £ | <u>Total Funds</u> <u>2019</u> £ |
|-----------|---------------------------------------------------------|-------------------------------------------------------|----------------------------------------|----------------------------------------|
| Publicity | 175 | 1,238 | 1,413 | 1,610 |

6 EXPENDITURE ON CHARITABLE ACTIVITIES

| | <u>Unrestricted</u> <u>Funds</u> <u>2020</u> £ | <u>Restricted</u> <u>Funds</u> <u>2020</u> £ | <u>Total Funds</u> <u>2020</u> £ | <u>Total Funds</u> <u>2019</u> £ |
|--------------------|---------------------------------------------------------|-------------------------------------------------------|----------------------------------------|----------------------------------------|
| Project grants | - | 98,434 | 98,434 | 103,780 |
| Tools | - | - | - | 831 |
| Shipping costs | - | 1,950 | 1,950 | 2,978 |
| Development worker | - | 19,263 | 19,263 | 16,395 |
| Evaluation trips | 808 | 4,151 | 4,959 | 10,437 |
| Sundry - Malawi | - | 4,995 | 4,995 | - |
| Sundry - Kenya | - | 504 | 504 | - |
| | 808 | 129,297 | 130,105 | 134,421 |
| Support costs | 370 | 820 | 1,190 | 948 |
| Governance costs | 348 | - | 348 | 302 |
| | <u>1,526</u> | <u>130,117</u> | <u>131,643</u> | <u>135,671</u> |

| | | |
|--------------------------------------------------|---------------|----------------|
| Project grants were made to: | <u>2020</u> | <u>2019</u> |
| <u>in Malawi</u> | £ | £ |
| Malawi Council for the Handicapped | 64,633 | 67,311 |
| Kuthandiza Osayenda Disability Outreach (Malawi) | 33,801 | 32,143 |
| | <u>98,434</u> | <u>99,454</u> |
| in Kenya | 808 | 300 |
| in India | - | 4,026 |
| | <u>99,242</u> | <u>103,780</u> |

7 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

| | | |
|----------|-------------|-------------|
| | <u>2020</u> | <u>2019</u> |
| | £ | £ |
| Accruals | <u>300</u> | <u>288</u> |

8 RESTRICTED INCOME FUNDS

Malawi Fund

The Malawi Fund has been established to provide support for local projects operating in Malawi.

| | Project 2 <u>2020</u> £ | Project 2 <u>2019</u> £ | Project 3 <u>2020</u> £ | Project 3 <u>2019</u> £ |
|---------------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Balance brought forward | 106 | 1,763 | 2,915 | - |
| Received in year | - | 42,757 | 139,763 | 81,869 |
| Expenditure in year | - | (43,659) | (130,851) | (78,954) |
| Transfer from unrestricted Event Fund | - | - | 230 | - |
| Transfer to designated Malawi Fund | - | (755) | - | - |
| Transfer from Project 1 to Project 2 | - | - | - | - |
| Balance carried forward | <u>106</u> | <u>106</u> | <u>12,057</u> | <u>2,915</u> |

Kenya Fund

The Kenya Fund has been established to provide support for local projects operating in Kenya.

| | <u>2020</u> £ | <u>2019</u> £ |
|-------------------------|------------------|------------------|
| Balance brought forward | 514 | - |
| Received in year | - | 9,517 |
| Expenditure in year | (504) | (9,003) |
| Balance carried forward | <u>10</u> | <u>514</u> |

9 UNRESTRICTED INCOME FUNDS

Designated funds:

| | Designated funds Malawi £ | Designated funds India £ | Designated funds Kenya £ | Total <u>2020</u> £ | Total <u>2019</u> £ |
|-----------------------------------------|------------------------------------|-----------------------------------|-----------------------------------|---------------------------|---------------------------|
| Balance brought forward | 2,890 | 1,334 | 1,348 | 5,572 | 2,993 |
| Received in year | - | 20 | - | 20 | 59 |
| Expenditure in year | - | - | (808) | (808) | (5,050) |
| Transfer from unrestricted Project Fund | - | 2,000 | - | 2,000 | 5,526 |
| Transfer from unrestricted general fund | - | - | - | - | 1,289 |
| Transfer from restricted Malawi Fund | - | - | - | - | 755 |
| Balance carried forward | <u>2,890</u> | <u>3,354</u> | <u>540</u> | <u>6,784</u> | <u>5,572</u> |

Undesignated funds:

| | General fund £ | Undesignated project funds £ | Undesignated event funds £ | Total <u>2020</u> £ | Total <u>2019</u> £ |
|------------------------------------|----------------------|---------------------------------------|-------------------------------------|---------------------------|---------------------------|
| Balance brought forward | 3,647 | 5,782 | - | 9,429 | 10,229 |
| Received in year | 767 | 232 | 2,559 | 3,558 | 6,630 |
| Expenditure in year | (718) | - | (175) | (893) | (615) |
| Transfer to Kenya Fund | - | - | - | - | (1,589) |
| Transfer to India Fund | - | (2,000) | - | (2,000) | (5,226) |
| Transfer to Project Fund | (10) | 2,339 | (2,329) | - | - |
| Transfer to Event Fund | - | (175) | 175 | - | - |
| Transfer to restricted Malawi Fund | - | - | (230) | (230) | - |
| Balance carried forward | <u>3,686</u> | <u>6,178</u> | <u>-</u> | <u>9,864</u> | <u>9,429</u> |

10 ANALYSIS OF NET ASSETS

| | Restricted funds | Unrestricted General fund | Unrestricted Designated funds | Undesignated project funds | Total funds |
|----------------|---------------------|---------------------------------|-------------------------------------|----------------------------------|---------------|
| | £ | £ | £ | £ | £ |
| Current assets | 12,173 | 3,986 | 6,784 | 6,178 | 29,121 |
| Creditors | - | (300) | - | - | (300) |
| | <u>12,173</u> | <u>3,686</u> | <u>6,784</u> | <u>6,178</u> | <u>28,821</u> |