



Mission Aviation Fellowship UK (MAF UK)

A company limited by guarantee, not having share capital
Company number: 3437446

Registered Charity Number 1064598 in England and Wales
Scottish Charity Number SC039107

Report and financial statements

for the year ended

31 December 2014

Contents

Page	
1-2	Message from the Chairman and the Chief Executive
3	Report of the Trustees
	Public benefit
	Operational impact:
	Flying for life
4	Providing practical help
	Sharing the Gospel
5	Carrying spiritual hope
	Bringing physical healing
6	Reaching remote and inaccessible communities
7-9	Projects made possible by the support received
	Objectives and activities for 2014
10	Conclusion for 2014
	Future plans
11	Top five objectives for 2015
12	Strategic Report
	Business review
13	Principle risks and uncertainties
14	Reserves policy
	Principal funding sources
	Investment powers and policy
	Structure, governance and management
	Governing document
	Appointment of Trustees
	Trustee induction and training
15	Organisational structure
	Related parties
	Internal controls
16	Risk management
17	Trustees' responsibilities in relation to the financial statements
	Provision of information to auditors
18	Legal and administrative information
19-20	Independent Auditor's report
21	Statement of Financial Activities
22	Balance Sheet
23	Cash Flow Statement
24-29	Notes to the Financial Statements

Message from the Chairman and Chief Executive

As we look back at 2014, we are grateful to God for the help, hope and healing we have been able to provide for people in some of the most remote and isolated areas of the world. For nearly 70 years, God has blessed the work of MAF - enabling our light aircraft to continue flying for life.

Early in 2014, The Most Reverend Justin Welby, Archbishop of Canterbury, flew with MAF to war-torn Bor in **South Sudan**. He visited St Andrew's Cathedral and saw a residential area where many people had been killed during the fighting. Archbishop Welby joined the community in its grief and led prayers at a mass grave prepared for the bodies of 5 ministers and 20 lay readers. 'This is the second time I have flown with MAF,' he explained, 'and I think it is a reminder that MAF just keeps on taking the presence of Christ into some of the most difficult places on earth.'

We rejoice at the hope provided by the expansion of our work in South Sudan and the reopening of an old airstrip in Ohilang, a remote conflict-ridden region, and are grateful that we were able to build strong relationships with future partners in Liberia. Both achievements provide us with fresh opportunities to extend God's goodness to those living in places of great need. Sadly, plans to begin operating our Liberia lifeline have been delayed due to the Ebola crisis. Government officials have not been available to sign essential permits, enabling MAF to fly. However, houses have been built and staff and an aircraft prepared to respond to the desperate needs as soon as permits are granted.

Hope for the future, gratitude for the past

We are grateful for significant milestones such as 55 years of MAF service in Kenya, 25 years in Madagascar and 15 years in Mozambique. In addition, through God's grace it has been wonderful to see huge improvements in the domestic infrastructure in Tanzania, making travel much easier and safer over the last 10 years. As a result we were able to reduce our overall services, to focus on the needs of those most isolated. As we look to the future with hopeful hearts, we also look back with thankfulness at the life of Murray Kendon - one of MAF's founders - who died in May 2014.

Thanks to what Murray and the other pioneers began in 1945, our staff have used aviation and technology to share God's love with isolated people - enabling needs to be met, hope rekindled and lives saved.

Throughout 2014, our ability to land on rugged mountainside airstrips, lakes and rivers, deserts, roads and basic landing strips, saved some of the world's most forgotten people from having to spend days walking through dense jungle or traversing treacherous roads to receive practical help, spiritual hope and physical healing.

Giving hope through reopened airstrips

For thousands of villagers, our planes were the only way to receive clean water, food, sight-saving surgery, essential medical care, educational materials and Gospel resources - our ability to serve in this way being aided by the use of new or reopened airstrips. These included Muthamul and Bukudal (Arnhem Land), Rumginae (Papua New Guinea), Ohilang and Udier (South Sudan), Atauro Island and Maliana (Timor-Leste).

Providing hope through MAF's missionary staff

In 2014, our pilots partnered with over 1,500 organisations - flying our 140 light aircraft to over 1,800 locations from MAF programmes based in 25 countries.

We are so grateful for the willingness of our staff and their missionary families to step out in faith, hope and love, move to a new country, learn a new language, and commit themselves to a life serving the Lord.

Some of the stories that appear in the Trustees' Report from countries such as Bangladesh, Kenya, Madagascar, Mongolia, Papua New Guinea, South Sudan, Timor-Leste and Uganda provide an exciting insight into the way countless people living out of sight, out of mind and out of hope received help, hope and healing through our partners and planes.

Hope fulfilled through God's provision and our generous supporters

We praise God for His provision during 2014 of:

- Over £12 million of income
- £2.4 million received from legacies
- 15,430 new contacts and supporters
- 1,200 MAF Day of Prayer packs requested
- Over 1,500 new regular givers
- Over 900 presentations given by volunteers at churches and events.

We would like to thank everyone for their generous support. Their prayers, partnership and the trust they placed in our organisation enabled physical help and spiritual hope to reach thousands of communities that were completely dependent on our small aircraft. Thanks to the gifts, prayers and time given by faithful supporters, our dedicated personnel were able to go the extra miles in some of the world's remotest places.

Roger Mitty
Chairman of Trustees

Ruth Whitaker
Chief Executive

Report of the Trustees for the year ended 31 December 2014

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Trustees, who are also Directors of Mission Aviation Fellowship UK (MAF UK) for the purposes of the Companies Act, have pleasure in presenting the Report and Accounts for the year ended 31 December 2014. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2005) 'Accounting and Reporting by Charities' issued in March 2005 (as amended) and the Charities Act 2011 in preparing the Annual Report and financial statements of the charity.

Public benefit

The Trustees confirm that they have had regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties. As illustrated in this Trustees' Report, MAF UK supports the worldwide work of MAF, which aims to reach people living in some of the most isolated parts of the world.

In many countries, insecurity can render road travel highly dangerous. MAF's fleet of light aircraft enables access to remote communities, connecting those in need with those that can help. Even in places where it is safe to travel, there may be no roads or, if roads exist, they can become impassable for months at a time due to adverse weather conditions such as heavy flooding.

The following examples of our work demonstrate how the public benefit is delivered.

Operational impact

Our mission is to reach areas of the world where people are cut off due to geographical barriers, natural disasters, war, conflict or economic crisis. During 2014, our planes flew to some 1,800 remote and inaccessible locations - enabling over 1,500 partners to provide practical help, spiritual hope and physical healing to thousands of men, women and children who would otherwise be out of reach. With over 140 light aircraft and bases in 25 countries, MAF was able to respond swiftly and effectively to the urgent needs of isolated communities. Our teams went the extra miles by:

- **Flying for life**

When Naphtaly was badly injured in a car accident in western **Kenya**, we flew him and his driver to Nairobi. Several days later, the discharged patients returned to Mfangano Island where Naphtaly, a long-time friend and partner of MAF, runs Gethsemane Garden Christian Centre. Since returning to the boarding school for HIV/AIDS orphans, Naphtaly shared, 'Over 50 people have come to a saving knowledge of Jesus Christ! Thank God for MAF and all those who support their great ministry.'

Alberto, a two-week-old baby living in isolated Oecusse in **Timor-Leste**, began suffering from a bowel obstruction and swollen abdomen, so we airlifted him to Dili. Thanks to MAF, instead of a difficult 12-hour ferry ride, the little boy had a stress-free 45-minute flight to the capital, where he received urgent medical treatment. Our aircraft also provided an essential lifeline for four-month-old Arni, who was suffering from dehydration and diarrhoea. A 2-hour boat trip to the hospital took 14 minutes by plane.

Another medevac, this time in **Papua New Guinea (PNG)**, airlifted three women facing difficult pregnancies. 'When we arrived at the airport,' said MAF Pilot Luke Newell, 'staff from Rumginae Hospital unloaded the ladies. Tunibato's daughter was delivered by caesarean and was named after Dr Sharon who delivered her. Although the other mothers had high-risk pregnancies, Elsie gave birth to a healthy boy and Solowayato to a little girl.' When Solowayato's daughter was born, the doctors were able to treat the baby's clubfoot. If the little girl hadn't been born at Rumginae, she'd have been left with a lifelong disability.

- **Providing practical help**

Three times a year, MAF planes take Tutapona personnel to Gulu, **Uganda**, to provide trauma counselling to the 55,000 people living in the refugee camp that opened in 2013 when violence erupted in South Sudan. 'By flying with MAF,' one of Tutapona's staff explained, 'we maximise our time and avoid a gruelling ten-hour journey from Kampala to Gulu. Flying with MAF saves us time and helps our work to be more effective.'

In **South Sudan**, we carried vital supplies to remote areas facing malnutrition; our planes providing Tearfund staff in Motot with 110 boxes of Plumpy'Sup - a nutritious peanut-based food supplement. Tearfund's South Sudan Programme Officer said, 'We are targeting 38,429 pregnant and lactating women, and children under 5 suffering from malnutrition. The feeding programmes are possible due to the generous support of MAF.' Thanks to MAF flights, malnourished children like two-year-old Nyayuni, who was brought to Tearfund's feeding centre in Pulchoul with severe diarrhoea, responded well to the supplements and eventually recovered.

We also supported Mercy Uganda staff as they shared the Good News with the nomadic Karamajong in **Uganda**. Because roads are impassable during the rainy season, our planes enabled Mercy Uganda staff to run a pregnancy care centre, train local people in farming techniques, help youngsters receive an education, take Bible studies and show the *Jesus* film. 'MAF has made a difference to our work,' the NGO's Executive Director explained. 'We are able to get an entire team to Karamoja in a small amount of time, making our work more productive. We couldn't have accomplished what we have without MAF.'

- **Sharing the Gospel**

Our missionary pilots not only bring help, hope and healing, but also share the Gospel, distribute Bibles, disciple believers and encourage the Church. In **Madagascar**, Pilot Josh

Plett flew a team of doctors, dentists, nurses and eye specialists to Bekodoka for a week-long medical mission. The team examined patients, performed surgery and shared the Gospel. Josh took part by giving his testimony. 'It was a blessing,' Josh said, 'to share with these isolated people that, although we come from worlds apart, I am a brother in Christ to those who have accepted Jesus as their Saviour.'

In **Mongolia**, Pilot Ryan Van Geest flew members of Athletes in Action, a branch of Campus Crusade for Christ, from Ulaanbaatar to Tsaagan Nuur. While some of the party stayed in town, Ryan and two friends visited the forgotten Tsaatan reindeer people. Riding over the mountains, they finally arrived at the nomads' remote settlement. The MAF visitors spoke with the shamanistic Tsaatan elders, showed the *Jesus* film, shared the Good News and handed out gift boxes from Samaritan's Purse to local children.

- **Carrying spiritual hope**

In **Madagascar**, we played a vital role in enabling ten teams of Wycliffe Bible Translators to serve in remote locations. Because of the island's limited infrastructure, the organisation relies on us to help their translation work move forward. Dr Leoni, who coordinates several teams, wrote, 'Thank you for flying Bible translation teams and transporting some very sick people. We appreciate the help MAF gives to shorten our travel time. The teams from Mananara and Marolambo have a particularly time-consuming journey if they do it by road and on foot. It's even dangerous at certain periods of the year. The distances covered are enormous, so a huge heartfelt thanks on behalf of our 50-plus team members.'

In 2014, we also flew staff from Calvary Baptist Church from Nairobi to Kapoeta, **South Sudan**, to explore new ministry opportunities among the Toposa people. A team member thanked MAF and said, 'We have seen God do amazing things - with former witch doctors, cattle thieves and murderers transformed by the power of the Gospel. One man told us the Toposa kill their enemies and steal their cattle. He thanked us for sharing the Word of God, said they were like lost sheep and that if we came back to share more, it wouldn't be in vain.' A number of Toposa became Christians during the team's visit.

We also flew former Archbishop of Canterbury, the Right Reverend Dr Rowan Williams to Bor, **South Sudan**, to support the peace building and reconciliation process facilitated by Christian Aid and The Lutheran World Federation. The former archbishop prayed at the graveside of hundreds of civilians killed during fighting in April, spent time talking to church leaders, and visited two camps for Internally Displaced People.

- **Bringing physical healing**

In **Bangladesh**, MAF's amphibious aircraft serves Friendship's three floating hospitals by regularly flying doctors and supplies so they can provide medical care to remote, vulnerable and marginalised communities living along the riverbanks. According to Friendship's Communications Officer, 'The benefit MAF is providing is boundless. It's a

huge hassle to go by road, rickshaw and then walk. The international doctors who work with us are volunteers. Their time is valuable.'

In Kodike, **Uganda**, we saved a medical team a 13-hour drive on extremely poor roads. During a nine-hour mini-clinic, the team treated people for fungal infections, malnutrition, anaemia and chest infections. They explained the importance of hygiene to new mothers, and treated a large number of patients for chigoe fleas, or 'jiggers'. The parasites regularly enter the hands and feet of Kodike's villagers and cause intense irritation. Rather than simply extract the fleas, the medics taught parents how to remove jiggers before they became too large or were able to lay eggs.

Another MAF flight providing isolated and inaccessible communities with essential healthcare enabled a team of doctors, nurses and optometrists to restore patients' sight through surgery in Suai, **Timor-Leste**. Andrew, one of the team members, exclaimed, 'Your light aircraft is the only plane to get humanitarian programmes like ours to remote areas. It saved four days in total. We helped 200 people - 46 of them were blind in one or both eyes, and now they can see! Thanks for being there for us.'

- **Reaching remote and inaccessible communities**

In **PNG**, we flew WaterAid staff to clean water initiatives in seven provinces. WaterAid's Water, Sanitation and Hygiene adviser reported, 'PNG has the lowest level of access to safe and adequate water and sanitation in the Pacific. A total of 4.3 million people don't have access to safe water, and 5.8 million don't have adequate sanitation.' Thanks to WaterAid and MAF's flights to remote and forgotten areas, 2,900 more people now have access to safe water - with 7,179 people enjoying improved sanitation.

In **South Sudan**, we helped Life Bridging Works by flying short-term teams of Bible teachers, accountants and schoolteachers to bring physical help and Christian teaching to assist desperately poor Sudanese in this war-torn country. The organisation's Field Agent said, 'Travelling to our programme in Kapoeta originally meant driving 620 miles through 2 countries to avoid the Lord's Resistance Army. With MAF, the journey is quicker and much safer. I've been travelling in dangerous places for 20 years. As I get older, I get more nervous, especially if I'm responsible for visitors. If we're flying with MAF - the night before, I can sleep. If we're going by road, I can't!'

We also flew personnel from Terre des Hommes to help children suffering from malnutrition in **Bangladesh**. The NGO organises discussions, demonstrations and campaigns to raise awareness on health, nutrition and hygiene. It also helps women grow fresh vegetables. Thanks to their staff, four-year-old Mim, who was diagnosed with acute malnutrition, received food and medicine, and eventually recovered. Her mother shared, 'I am happy my daughter is okay. She is livelier and plays more than before.'

Projects made possible by the support received

All these and many other projects were made possible by our individual supporters and with grants from governments and institutions, including:

- UK Aid from the Department for International Development
- Jersey Overseas Aid Commission
- The Isle of Man Government International Development Committee
- The Stobart Newlands Charitable Trust
- The Maurice and Hilda Laing Charitable Trust.

Objectives and activities for 2014

MAF UK's aim is to support partner churches, missions, humanitarian and relief and development agencies to reach remote communities with the love of Christ by providing practical help and real hope. The main purpose and activity of MAF continues to be the provision of subsidised, safe and secure aviation services in parts of the world where travel by road is impossible, unsafe or too slow to reach isolated places. Christians with a commitment to our aim use their skills in aviation and other fields to work in partnership with national churches, relief and development agencies, missions, hospitals and governments to meet the most pressing of human needs.

With charities in the UK and Europe conscious of the uncertain economic climate, one of the main objectives for 2014 was to meet the growing needs in Africa and Asia-Pacific through prayerful support and to continue to recruit new supporters and much-needed staff for our work overseas. A further objective was to recruit additional members for our UK team.

Specifically, the objectives together with outcomes for 2014 were:

- To recruit more pilots and engineers to fill the current and expected vacancies in MAF programmes overseas.

During 2014 we have sent six post holders and their families to undertake key operational roles overseas.

- To fund all planned programme work as well as enabling new work to be supported.

All 2014 planned operational funding needs were met and additional grants were made for strategic investments.

- To specifically support the new Liberia programme.

objectives together with outcomes for 2014 continued...

Funding was secured to cover essential operating costs in the first year of operation and the construction of two homes for Programme Manager and Pilot families.

- To develop and launch a new website with greater social media connections to enhance MAF's digital presence and communications with supporters in the UK.

Development work during 2014 has enabled the project so that the new exciting website will be ready to launch in early 2015.

- To recruit currently vacant UK positions so that the strategic targets can be met.

All budget vacancies were recruited during the year and new staff have completed introductory training.

The MAF team in the UK

Throughout 2014, MAF in the Community's team of volunteers continued to inspire and challenge people about our work through hundreds of presentations in churches and groups across the UK. The presentations combined inspiring stories of how our aircraft made a difference to people's lives with the use of exciting film clips and media.

The MAF Roadshow, which comprises the large exhibition trailer, static Cessna display aircraft and the smaller exhibition truck, has been to numerous UK events, promoting MAF's ministry and encouraging people to support our work.

It was great to again use our Roadshow to tell people about MAF at The Big Church Day Out weekend - which was attended by over 20,000 people - and to take part in Spring Harvest for the first time at Minehead with our exhibition trailer and aircraft. There was a lot of interest from both new and existing supporters, and we've received an invitation to Spring Harvest, Skegness, in 2015.

We attended some smaller Christian events at various UK churches, and for the first time were invited by Christian Vision for Men to exhibit at The Gathering conference in Scotland in June. We also worked with popular Christian singer/songwriter Cathy Burton, who held 23 free concerts in UK churches where we showed films and spoke about MAF between songs.

Much of 2014 was also taken up developing a new initiative aimed at partnering with churches across the UK. The Lifeline Partnership, which will enable congregations to get to know more about MAF and link up with staff serving in a particular country, will be launched in 2015.

At the younger end, MAF Youth continued to inspire and challenge young people to connect with mission and MAF, exhibiting at various events. The largest, Soul Survivor, saw over 500 young people sign up to learn more about our work.

2014 also saw us continue to support and resource our many church representatives and prayer groups throughout the UK - enabling volunteers and supporters to continue praying for MAF and encouraging others to get involved.

Volunteer numbers		2014	2013
Area Reps	England and Wales	80	87
	Scotland	38	45
	Ireland	15	15
Church Reps	England and Wales	290	290
	Scotland	139	139
	Ireland	90	94
Prayer Group Leaders	England and Wales	16	17
	Scotland	16	14
	Ireland	19	11

Events in Scotland

2014 was a significant year in the life of Scotland as a nation and was an encouraging one for MAF in Scotland as well. We were able to connect with the Commonwealth Games through the Big Picture event, which provided a significant boost for our volunteers. The Big Picture also increased MAF's profile in the churches and wider community.

With 700 people taking part and more than £45,000 raised towards MAF's work in Commonwealth countries, the event was a tremendous success.

The Big Picture photomosaic was later used as the centrepiece of a major reception and dinner held in the Scottish Parliament - resulting in excellent conversations with over 40 MSPs and other invited guests. After that, the artwork was displayed at Glasgow Airport and in various shopping centres throughout the Games.

Now in their fourth year, our two cycling sportive events proved equally effective in raising funds, reaching new audiences, and encouraging supporters.

The MAF in the Community team continued to offer inspiring MAF presentations to churches and community groups throughout Scotland. These informative events were complemented by photographic exhibitions, concerts and movie nights which provided numerous opportunities to connect with new audiences.

The team also built relationships with some key churches in preparation for the launch of our Church Engagement Strategy. We expect this new approach to church partnership to use many of the activities we've enjoyed running over the last few years, presenting them in a fresh way to today's Church.

Our vital volunteers

We are very grateful to our volunteers, all 693 of them, across the UK, who have enabled us to reach so many with the message of MAF.

International staff

We currently have 34 staff, accompanied by their families, based overseas or preparing to join our overseas programmes. We are grateful that their support levels remained high throughout 2014 due to good communication with supporters.

We also give thanks for a high number of candidates in the latter stages of assessment for service in Africa and Asia-Pacific, with seven candidates considering pilot, aircraft maintenance engineer and management roles.

Throughout 2014, we advertised overseas vacancies through a variety of online and offline sources, with an average of 50 initial enquiries coming in each month. From these initial approaches, we were encouraged to receive 102 registered enquirers actively considering service overseas.

Conclusion for 2014

2014 saw many significant milestones such as 55 years of MAF service in Kenya, 25 years in Madagascar and 15 years in Mozambique.

There were also many developments, with a number of new airstrips opened, enabling more isolated people to be reached. Our lifeline in South Sudan expanded and new strong relationships were built with future partners in Liberia as we continued with our preparations to establish a programme there, despite the outbreak of Ebola.

All these achievements provide us with fresh opportunities to extend God's goodness to those living in places of great need. We are extremely grateful to our supporters for their continued prayers and financial support.

Future plans

Many people across the developing world continue to live in need, cut off from the essentials of life due to terrain, formidable geographical barriers, civil war or political unrest. The need for MAF in many countries is as great as ever.

We are committed to continue growing and developing our communications, and raising our profile so that we are recognised and known for our work throughout the UK. This will be done by enhancing MAF's presence at Christian events and through the use of media and online channels. Doing so will help grow our fundraising and recruitment activities so that increasing numbers of isolated people will be physically and spiritually transformed in Jesus' name.

We are extremely grateful for the generous support we receive. We will continue to review our processes and practices to ensure that the funds available for overseas work are maximised.

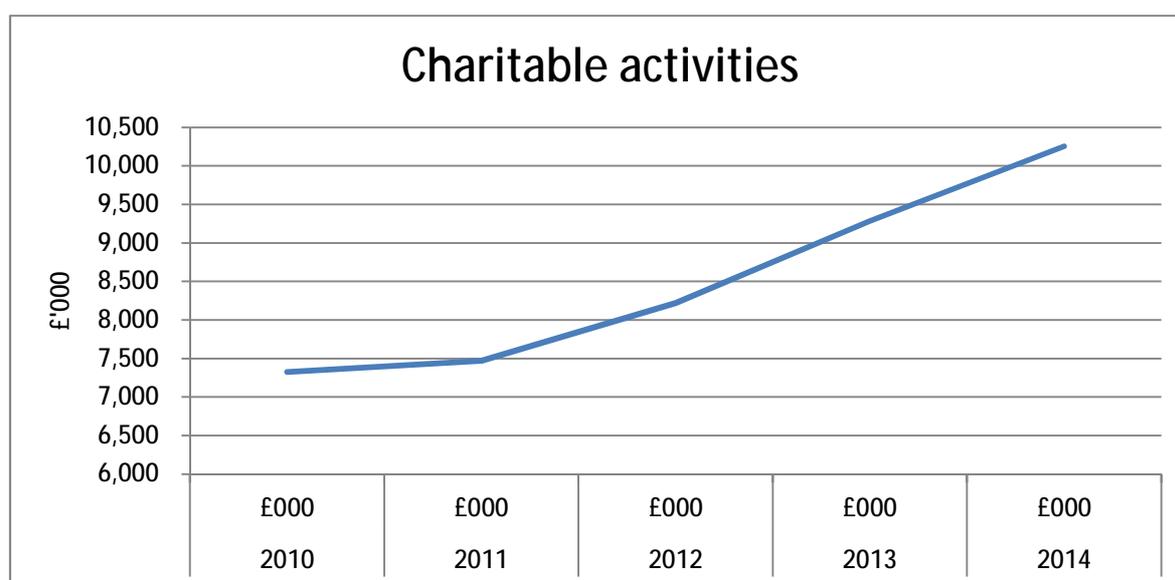
Top five objectives for 2015 are to:

- Attract, prepare and train new technical staff to serve overseas.
 - Increase our awareness and raise our profile to help grow our supporter team in the UK.
 - Launch a new website in 2015 to inspire, engage and inform our existing supporters, as well as attracting new supporters to the work of MAF.
 - Develop partnerships with churches, individuals and Trusts to increase awareness of overseas mission, raise financial support to fund planned work, sustain our current programmes, and enable new services to start in new countries - particularly Liberia, where planning has commenced.
 - Inspire our prayer supporters and add to their number by encouraging individuals and groups to uphold the work of MAF and our teams overseas - many of whom live in challenging and inhospitable places.
-

Strategic Report

Business review

Five-year history					
Income and expenditure £000	2010	2011	2012	2013	2014
Income					
Unrestricted donations	6,591	6,142	6,397	6,620	6,389
Legacies	1,425	2,301	2,944	2,390	2,476
Investment income	15	17	102	130	63
International staff support	889	796	817	917	949
Other restricted income:					
Aircraft	51	4	237	562	59
Fuel	80	13	26	52	49
East Africa campaign	-	919	23	-	-
South Sudan				228	519
Other	1,265	1,191	1,218	1,151	1,697
Total income	10,316	11,383	11,764	12,050	12,201
Expenditure					
Cost of generating voluntary income	2,011	2,185	2,471	2,259	2,306
Charitable activities	7,323	7,471	8,219	9,283	10,254
Governance costs	27	25	30	28	20
Total expenditure	9,361	9,681	10,720	11,570	12,580
Net incoming / (outgoing) resources	955	1,702	1,044	480	(379)



Charitable activity grew by another ten percent in 2014, the fourth year of continued growth, only made possible by the generosity of our supporters.

Page 21 sets out the Statement of Financial Activities for MAF UK for the year. The income for the year (Total Incoming Resources) was £12.2m, of which 99% was voluntary income including restricted gifts (2013: £12m; 99%).

The benefits of tax-efficient giving were again increased through the securing of a further 3,257 Gift Aid Declarations during 2014 (2013: 2,827), bringing the total number of on-going Declarations to 39,170 (2013: 38,318). Tax claimed on 2014 gifts amounted to £821,045 (2013: £716,543).

Investment income was £63k (2013: £130k) reflecting the paucity of decent interest rates. All available cash is placed on deposit.

During the year, the sum of £1,683,000 (note 4) was paid in staff support to 26 staff (note 5) (individuals/families) from the UK serving overseas (2013: £1,513,000 to 26 staff individuals/families).

In addition, unrestricted grants of £4,699,000 (note 4) and restricted income of £2,324,000 (note 12) totalling £7,023,000 (2013: £6,248,000*) were passed to sister MAF groups worldwide, primarily to assist in the provision of mission aviation (*2013: unrestricted grants of £4,255,000 and restricted income of £1,993,000).

The assets and liabilities of MAF UK are set out in the Balance Sheet (page 22). All of the assets were used directly in the charitable purpose or in a support capacity.

'Financial Instruments' are those assets and liabilities of a charity that can be impacted by a third party (e.g. bank deposits, investments, overdrafts, loans, trade creditors etc.). At the Balance Sheet date, financial instruments included bank deposits and trade creditors. Trade creditors are paid within 30 days, unless the supplier's payment terms are less favourable.

The Trustees have put in place designated reserves (see Reserves policy) to provide adequate assurance in respect of liquidity and operational cash flows.

Principal risks and uncertainties

The principal risks are assessed as those most impacting on our fundraising capabilities including:

- interruption to postal gift income stream through industrial action
- interruption to gift processing through potential catastrophe
- reputation risk.

The steps taken to manage these risks are set out in the Risk management section (page 16).

The principle uncertainties relating to timing and volatility of various income streams are also addressed by the risk management process the Board have adopted.

Reserves policy

It is the Board's policy to reserve sufficient funds to ensure the ongoing operations of MAF UK. These include a Base Reserve (3 to 6 months' of working capital) to withstand peaks and troughs in cash flows. Additionally, other designated funds may be created by the Board to help ensure MAF UK's effectiveness. As a regular part of the Board's work, all risks and reserves were reviewed and any recommended changes have been implemented. Details of all the designated funds are set out in note 11.

At the year end, all the reserves were at or above the minimum policy-level (see note 11). The Future Projects Reserve enabled land for further housing in South Sudan to be acquired, and the Ugandan office and housing in Arnhem Land to be significantly upgraded. As in previous years, the Future Projects Reserve was replenished from the Base Reserve.

The Base Reserve year-end balance of £6.6m was again in excess of the 6-month (working capital) upper limit despite the above-budget extra projects mentioned above. The Senior Leadership Team will be reviewing further opportunities to bring the balance below the target limit in 2015.

Principal funding sources

Voluntary donations remained the principal source of funding, providing some 99% (2013: 99%) of total incoming resources. Of this, legacy income amounted to 20% (2013: 20%).

Investment powers and policy

The investment powers of the Trustees are as set out in the Memorandum of Association.

Structure, governance and management

Governing document

MAF UK is a charitable company limited by guarantee and a registered charity. It is governed by a Memorandum and Articles of Association dated 15 September 1997 and revised in October 2007. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

Appointment of Trustees

The Trustees are elected by the Board. The number of Trustees may not be less than three, but is not subject to any maximum.

One third of Trustees retire at each AGM whether by retirement or rotation. Board decisions are made by majority vote. During the year, Andrew Cunningham and Linda Trew both retired with the grateful thanks of the board for their years of service.

The number of Members may not be less than two. The Trustees approve membership.

Trustee induction and training

In the Trustee induction programme, new Trustees are provided with the MAF UK Governance Manual containing items such as the Memorandum and Articles and recent

annual and management accounts as well as a copy of CC3 *The Essential Trustee*. They are required to attend a series of meetings and discussions with the Chief Executive and others to learn more about the work and how MAF UK operates.

From time to time, the Board will invite specialists such as the auditors to make a presentation to the Board on matters of interest, such as good governance, to ensure that the Trustees are kept abreast of best practice.

Organisational structure

The Trustees meet four times a year and are responsible for the strategic direction and good governance of the charity. To ensure good governance and to maximise Board skills, the following subcommittees have been established:

- Finance and Risk Subcommittee
- Fundraising and Communications Subcommittee
- People and Prayer Subcommittee

The Board has put in place a Governance Manual which brings all the relevant laws and regulations into one place, which will help to enable the Board to comply fully with the Code of Good Governance. Day-to-day responsibility for the charity's operations is delegated to the Chief Executive and the Senior Leadership Team.

Related parties

MAF UK is a member of MAF International, which is an association of operational and resourcing MAF groups around the world. The various resourcing groups formed MAF International Ltd, their operational arm, to which all operational assets are transferred. The central management of all the programmes enables better efficiency in terms of asset deployment and the standardisation of training and safety standards. MAF UK's overseas staff are seconded to MAF International Ltd and all funds raised for operational programmes are passed to MAF International Ltd. MAF UK has one subsidiary which is dormant. Apart from the natural transactions with other MAFs, there were no related party transactions.

Internal controls

The Trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise.

They 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, and to provide reasonable assurance that:

- the charity is operating efficiently and effectively
- its assets are safeguarded against unauthorised use or disposition
- proper records are maintained and financial information used within the charity or for publication is reliable
- the charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- a strategic plan and an annual budget approved by the Trustees
- regular consideration by the Trustees of financial results, variances from budgets and non-financial performance indicators
- delegation of authority and segregation of duties
- identification and management of risks
- annual completion of the Charity Commission's *Internal Financial Controls for Charities Checklist* (CC8-Checklist)
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/298714/cc8check.pdf

Risk management

The Trustees are responsible for setting the tone and influencing the culture of risk management within MAF UK. As part of discharging their responsibilities the Trustees have:

- established a risk register and risk management strategies that identify the types of risk faced and prioritise them in terms of potential impact and likelihood of occurrence, and identifying means of managing them. The risks and the risk management strategies are periodically reviewed by both the Senior Leadership Team and the Board of Trustees. The risks are classified into the following groupings:
 - Reputation
 - Strategic
 - Governance
 - Operational
 - Health and safety
 - Financial
 - Legal
- established a regular review of the adequacy of the charity's current internal controls. The Trustees are pleased to report that the charity's internal financial controls conform to guidelines issued by the Charity Commission.
- adopted a range of risk management policies including:
 - Recruitment
 - Anti-fraud
 - Whistleblowing
 - Conflicts of interest (Declaration of interest)
 - Anti-bribery

All MAF UK policies are published on the MAF UK intranet for staff understanding.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity, and enable them to ensure that the financial statements comply with the Companies Act 2006.

They 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.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the on-going integrity of the financial statements contained therein.

Provision of information to auditors

In the case of each of the persons who are Trustees at the time when the Trustees' report is approved, the following applies:

- so far as the Trustees are aware, there is no relevant audit information of which the company's auditors are unaware
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Legal and administrative information

Trustees and Members (the trustees are also Members)

Roger Mitty MInstF MIPA Chairman
Rev Anthony Buckley MA (Oxon)
Dr Ian Harnett DPhil (Oxon)
Gareth Mitchell BA (Dual Hons) MCIPR
Phil Bland MBE MInstMC
Diana White BA (Hons)
Stephen Lockley FCA BSc (Hons)
Andrew Cunningham MSc BSc (Hons) - (to 2 April 2014)
Linda Trew PgDip MInstF(Cert) - (to 12 February 2014)

Key management personnel

Chief Executive	Ruth Whitaker BEng (Hons)
Company Secretary	Alex Finlow FCA MSc
Head of Personnel	Gary Colvin FCIPD MA
Head of Partnership Development	Jeremy Abbott
Head of Fundraising	Mike Fagg (from 17 March 2014)
Head of Branding and Communications	Linda Trew PgDip MInstF(Cert) (from 17 March 2014)

Our advisers

Auditors	Kingston Smith LLP	Devonshire House, 60 Goswell Road, London, EC1M 7AD
Bankers	National Westminster Bank Plc	Europa House, 49 Sandgate Road, Folkestone CT20 1RU
Solicitors	Anthony Collins Solicitors LLP	134 Edmund Street, Birmingham, B3 2ES

Company information

Company number 3437446 Website: www.maf-uk.org

Date of Incorporation 16 September 1997

Registered charity in England and Wales (1064598) and in Scotland (SC039107)

Registered Office and Principal Address 1st Floor, Castle House, Castle Hill Avenue, Folkestone CT20 2TQ

The Trustees Report and the Strategic Report were approved by the Board and authorised for issue on 29 April 2015.
Roger Mitty (Chairman)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF MISSION AVIATION FELLOWSHIP UK

We have audited the financial statements of Mission Aviation Fellowship UK for the year ended 31 December 2014 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement [set out on page 17] the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired

by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2014 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

.....
Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP, Statutory Auditor

Date: 29 April 2015

Devonshire House
60 Goswell Road
London
EC1M 7AD

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Statement of Financial Activities

(incorporating an Income and Expenditure Account)

for the year ended 31 December 2014

	Note	2014			2013		
		Unrestricted funds £ 000	Restricted funds £ 000	Total funds £ 000	Unrestricted funds £ 000	Restricted funds £ 000	Total funds £ 000
Incoming resources							
Incoming resources from generated funds:							
Voluntary income:							
Donations		6,389	2,318	8,707	6,620	1,991	8,611
International staff		-	949	949	-	917	917
Legacies		2,476	6	2,482	2,390	2	2,392
	2	<u>8,865</u>	<u>3,273</u>	<u>12,138</u>	<u>9,010</u>	<u>2,910</u>	<u>11,920</u>
Investment income	3	63	-	63	130	-	130
Total incoming resources		<u>8,928</u>	<u>3,273</u>	<u>12,201</u>	<u>9,140</u>	<u>2,910</u>	<u>12,050</u>
Resources expended							
Cost of generating funds		2,306	-	2,306	2,259	-	2,259
Charitable activities		6,974	3,280	10,254	6,404	2,879	9,283
Governance costs		20	-	20	28	-	28
Total resources expended	4	<u>9,300</u>	<u>3,280</u>	<u>12,580</u>	<u>8,691</u>	<u>2,879</u>	<u>11,570</u>
Net resources		(372)	(7)	(379)	449	31	480
Reconciliation of Funds							
Total funds brought forward	11	7,994	90	8,084	7,545	59	7,604
Total funds carried forward	11	<u>7,622</u>	<u>83</u>	<u>7,705</u>	<u>7,994</u>	<u>90</u>	<u>8,084</u>

All of the above results are derived from continuing activities.

All gains and losses recognised in the year are included above.

The notes on pages 24 to 29 form an integral part of these financial statements.

Balance Sheet

as at 31 December 2014

		2014			2013		
	Note	Unrestricted funds £ 000	Restricted funds £ 000	Total funds £ 000	Unrestricted funds £ 000	Restricted funds £ 000	Total funds £ 000
Fixed assets							
Tangible assets	6	34	-	34	60	-	60
		<u>34</u>	<u>-</u>	<u>34</u>	<u>60</u>	<u>-</u>	<u>60</u>
Current assets							
Debtors	7	1,448	-	1,448	1,160	-	1,160
Short term deposits		5,782	83	5,865	6,475	90	6,565
Cash at bank and in hand		1,157	-	1,157	1,077	-	1,077
Total current assets		<u>8,387</u>	<u>83</u>	<u>8,470</u>	<u>8,712</u>	<u>90</u>	<u>8,802</u>
Liabilities							
Creditors:							
Amounts falling due within one year	8	(799)	-	(799)	(778)	-	(778)
Net current assets		<u>7,588</u>	<u>83</u>	<u>7,671</u>	<u>7,934</u>	<u>90</u>	<u>8,024</u>
Total net assets less current liabilities		<u>7,622</u>	<u>83</u>	<u>7,705</u>	<u>7,994</u>	<u>90</u>	<u>8,084</u>
The funds of the charity:							
Base reserve	11	6,600	-	6,600	6,982	-	6,982
Other Designated funds	11	1,022	-	1,022	1,012	-	1,012
Total unrestricted income funds		<u>7,622</u>	<u>-</u>	<u>7,622</u>	<u>7,994</u>	<u>-</u>	<u>7,994</u>
Restricted funds	12	-	83	83	-	90	90
Total funds		<u>7,622</u>	<u>83</u>	<u>7,705</u>	<u>7,994</u>	<u>90</u>	<u>8,084</u>

Approved by the Board on 29 April 2015 and signed on its behalf by:

Roger Mitty
Chairman

Stephen Lockley
Vice-Chairman

The notes on pages 24 to 29 form an integral part of these financial statements.

Cash Flow Statement
for the year ended 31 December 2014

		2014	2013
		£ 000	£ 000
Reconciliation of changes in resources to net cash inflow from operating activities			
	Note		
Net (outgoing) / incoming resources		(379)	480
Less: investment income	3	(63)	(130)
		<u>(442)</u>	<u>350</u>
(Profit) on disposal of fixed assets		-	-
Depreciation charges	6	42	53
Increase in debtors		(288)	(221)
Increase in creditors		21	50
Changes in resources		<u>(225)</u>	<u>(118)</u>
Net cash (outflow) / inflow from operating activities		<u>(667)</u>	<u>232</u>
CASH FLOW STATEMENT			
Net cash (outflow) / inflow from operating activities		(667)	232
Returns on investments and servicing of finance	3	63	130
Capital expenditure and financial investment:			
Purchase of tangible fixed assets	6	(16)	(20)
Cash (outflow) / inflow before increase in liquid resources		<u>(620)</u>	<u>342</u>
Management of liquid resources:			
Decrease / (increase) in short term deposits		700	(508)
Increase / (decrease) in cash		<u>80</u>	<u>(166)</u>
Reconciliation of net cash inflow to movement in net funds			
Increase / (decrease) in cash in the year		80	(166)
Cash (inflow) / outflow from increase in liquid resources		(700)	508
Change in net funds resulting from cash flows		<u>(620)</u>	<u>342</u>
Balance brought forward 01.01.2014		7,642	7,300
Net funds as at 31.12.2014		<u>7,022</u>	<u>7,642</u>
Analysis of net funds			
	Balance	Cash	Balance
	01.01.2014	flows	31.12.2014
	£ 000	£ 000	£ 000
Cash at bank and in hand	1,077	80	1,157
Short-term deposits	6,565	(700)	5,865
	<u>7,642</u>	<u>(620)</u>	<u>7,022</u>

The notes on pages 24 to 29 form an integral part of these financial statements.

**Notes to the Financial Statements
for the year ended 2014**

1. Accounting policies

In preparing the financial statements, the charity has adopted the Statement of Recommended Practice (SORP 2005). As well as following applicable accounting standards and the Companies Act 2006, the financial statements are based on the following policies:

(a) Basis of accounting

The financial statements have been prepared on the historical cost convention.

(b) Basis of consolidation

The accounts incorporate the financial statements of the charity only as its subsidiary undertaking has immaterial assets and does not trade.

(c) Funds

- General funds (Base Reserve) are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes
- Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements
- Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

(d) Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, in accordance with SORP 2005 para 127, entitlement is recognised when probate has been granted. Where valuation is possible, any such legacies receivable, but not yet received, are accrued in the financial statements. Incoming resources arise solely within the UK.

Donations are credited to the Statement of Financial Activities when they are received.

Government grants receivable are credited to the Statement of Financial Activities as soon as the conditions of recognition have been satisfied.

**Notes to the Financial Statements
for the year ended 2014**

(e) Resources expended

- 'Cost of generating funds' comprises all services supplied centrally identifiable as wholly or mainly in the support of generating income for this and future periods, and includes a proportion of central overhead costs
- 'Charitable activities' includes all costs associated with our international staff (based overseas), direct (grants) and indirect costs of our overseas operations, and the costs associated with informing and educating our Supporters here in the UK about our work
- 'Governance costs' represent those costs which relate to the management of MAF UK's assets, organisational administration and compliance with statutory and constitutional requirements
- As shown in note 4, support department costs are allocated to the above headings on the basis of pre-apportioned cost allocations.

(f) Foreign currencies

Foreign currencies have been translated to sterling as follows:

Current assets and liabilities	- rate as at 31 December
Other amounts	- rate at time of transaction

All differences are charged to the SOFA.

(g) Tangible fixed assets and depreciation

Assets with a useful economic life of more than one year and a value in excess of £1,000 are capitalised.

Depreciation on assets is calculated as follows:

Equipment and vehicles: charged to write off the expenditure over its expected useful life at 33.33% of the cost per annum.

(h) Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred.

(i) Pensions

MAF UK operates a 10% non-contributory defined contribution scheme for its employees. The contributions are paid monthly as they fall due.

(j) Transfers between funds

Transfers between the Base Reserve and other designated funds are in line with the policies as set out in note 11.

Notes to the Financial Statements
for the year ended 31 December 2014

	2014		2013			
	£ 000	£ 000	£ 000			
2 Donations						
Individuals (excluding legacies)		7,160	6,526			
Churches		917	915			
Trusts		895	1,309			
Companies		86	63			
<i>DFID</i>	260		223			
<i>Isle of Man</i>	93		68			
<i>Other Governments</i>	183		330			
Governments		536	621			
Other		62	94			
Legacies		2,482	2,392			
		<u>12,138</u>	<u>11,920</u>			
3 Investment income						
Interest receivable		63	130			
		<u>63</u>	<u>130</u>			
4 Total resources expended	Unrestricted £ 000	Restricted £ 000	Sub-total £ 000	Apportioned £ 000	2014 £ 000	2013 £ 000
Cost of generating funds:						
Voluntary income	1,685	-	1,685	189	1,874	1,836
Donor acquisition	389	-	389	43	432	423
	<u>2,074</u>	<u>-</u>	<u>2,074</u>	<u>232</u>	<u>2,306</u>	<u>2,259</u>
Charitable activities:						
International Staff	727	956	1,683	188	1,871	1,700
Overseas operations *	4,829	2,324	7,153	798	7,951	7,160
Information and education	389	-	389	43	432	423
	<u>5,945</u>	<u>3,280</u>	<u>9,225</u>	<u>1,029</u>	<u>10,254</u>	<u>9,283</u>
** Governance costs	18	-	18	2	20	28
Support departments						
Management and Personnel	300	-	300	(300)	-	-
Finance and Administration	963	-	963	(963)	-	-
	<u>1,263</u>	<u>-</u>	<u>1,263</u>	<u>(1,263)</u>	<u>-</u>	<u>-</u>
	<u>9,300</u>	<u>3,280</u>	<u>12,580</u>	<u>-</u>	<u>12,580</u>	<u>11,570</u>
Overseas operations * grants	<u>4,699</u>					<u>4,255</u>
Direct costs are allocated to the expenditure categories on the estimate of actual usage.						
Support department costs are apportioned on the basis of pre-apportioned cost allocations.						
Net resources for the year is stated after charging:					2014 £ 000	2013 £ 000
Audit fees						
<i>Current year</i>				12		18
<i>Prior year</i>				1		-
<i>Other remuneration paid to the auditor</i>				<u>1</u>		<u>1</u>
					14	19
Trustee expenses					1	2
Operating lease rentals:						
Land and buildings					115	114
Vehicles					<u>10</u>	<u>10</u>

* Institutional grants totalling £4,699,000 (2013: £4,255,000) were made during the year to MAF International Ltd.

** Trustees are reimbursed for out-of-pocket travel and subsistence expenses.

The number of trustees who received reimbursement was 2 (2013: 3)

The trustees neither received nor waived any emoluments during the year (2013: £NIL)

Notes to the Financial Statements
for the year ended 31 December 2014

	2014	2013
	£ 000	£ 000
5 Staff costs		
Wages and salaries	2,589	2,377
Social security costs	180	166
Other pension costs	332	288
	<u>3,101</u>	<u>2,831</u>
	Number	Number
Average number of employees - UK	55	51
Average number of employees - Overseas	28	26
	<u>83</u>	<u>77</u>
	Number	Number
Employees with total remuneration and benefits in excess of £60,000:		
£60,000 - £70,000	-	1
£70,000 - £80,000	1	1
	<u>1</u>	<u>1</u>
	£ 000	£ 000
Pension contributions in respect of these employees were	<u>7</u>	<u>12</u>

	Vehicles £ 000	Equipment £ 000	Total £ 000
6 Tangible fixed assets			
Cost			
As at 01.01.2014	5	257	262
Additions	-	16	16
Disposals	(5)	(1)	(6)
As at 31.12.2014	<u>-</u>	<u>272</u>	<u>272</u>
Depreciation			
As at 01.01.2014	5	197	202
Charge for the year	-	42	42
Eliminated on disposal	(5)	(1)	(6)
As at 31.12.2014	<u>-</u>	<u>238</u>	<u>238</u>
Net Book values			
As at 31.12.2014	<u>-</u>	<u>34</u>	<u>34</u>
As at 31.12.2013	<u>-</u>	<u>60</u>	<u>60</u>

MAF UK Annual Report & Accounts 2014
Notes to the Financial Statements
for the year ended 31 December 2014

7 Debtors	2014	2013
	£ 000	£ 000
Amounts due within one year:		
Other debtors	41	19
Tax recoverable	173	92
Prepayments	230	151
Accrued income	1,004	898
	<u>1,448</u>	<u>1,160</u>

8 Creditors: amounts falling due within one year

Trade creditors	603	648
Taxation and social security	50	41
* Other creditors	126	44
Accruals and deferred income	20	45
	<u>799</u>	<u>778</u>
<i>* Other creditors includes: in respect of pension scheme contributions</i>	33	29

9 Financial commitments

At 31 December 2014 the charity had annual commitments under non-cancellable leases as follows:

	2014		2013	
	Land and buildings £ 000	Other £ 000	Land and buildings £ 000	Other £ 000
Expiry date:				
Within one year	14	3	12	-
Two to five years	97	8	8	10
Over five years	-	-	89	-
	<u>111</u>	<u>11</u>	<u>109</u>	<u>10</u>

10 Analysis of net assets between funds

Fund balances as at 31 December are represented by:

	Base Reserve £ 000	Designated funds £ 000	Total Unrestricted £ 000	Restricted funds £ 000	Total funds £ 000	Total funds £ 000
Tangible fixed assets	-	34	34	-	34	60
Current assets	7,399	988	8,387	83	8,470	8,802
Current liabilities	(799)	-	(799)	-	(799)	(778)
	<u>6,600</u>	<u>1,022</u>	<u>7,622</u>	<u>83</u>	<u>7,705</u>	<u>8,084</u>

Notes to the Financial Statements
for the year ended 31 December 2014

11 Funds	As at 01.01.14 £ 000	Income £ 000	Expenditure £ 000	Transfers in £ 000	Transfers out £ 000	As at 31.12.14 £ 000
Base Reserve	6,982	8,928	(8,734)	6	(582)	6,600
Designated funds						
Fixed Asset Cost Fund	262	-	-	16	(6)	272
Future Projects Reserve	750	-	(566)	566	-	750
<i>sub-total</i>	<u>1,012</u>	<u>-</u>	<u>(566)</u>	<u>582</u>	<u>(6)</u>	<u>1,022</u>
Total unrestricted income funds	<u>7,994</u>	<u>8,928</u>	<u>(9,300)</u>	<u>588</u>	<u>(588)</u>	<u>7,622</u>
Restricted funds note 12	90	3,273	(3,280)	-	-	83
Total funds	<u><u>8,084</u></u>	<u><u>12,201</u></u>	<u><u>(12,580)</u></u>	<u><u>588</u></u>	<u><u>(588)</u></u>	<u><u>7,705</u></u>

The **Base Reserve** comprises risk-assessed income stream elements to ensure that the charity can continue operations in the event of adverse or unforeseen situations. Three to six months' working capital expenditure (based on next year's budget) is considered appropriate.

The **Fixed Asset Cost Fund** represents the cost of equipment and vehicles used by MAF UK, purchased from unrestricted funds (the net book value of the charity's existing fixed assets along with the amount designated by the Board, for future spending, to replace these assets.)

The **Future Projects Reserve** comprises unrestricted income funds that can be drawn upon at the discretion of the Trustees to enable projects to be undertaken either more quickly than otherwise would be possible, or that might not have been supported by the normal revenue income stream. The Trustees have taken a conservative view in the light of the future international and economic and currency uncertainties. The minimum value is £750,000.

12 Restricted funds

Restricted income arises where a donor has imposed a restriction as to the use of the gift.

The table below summarises, by major category of restriction, the opening balance, income, expenditure and closing balance for each restricted fund.

Fund category:	As at 01.01.14 £ 000	Income £ 000	Expenditure £ 000	Transfers in £ 000	Transfers out £ 000	As at 31.12.14 £ 000
MAF International aircraft projects	-	59	(59)	-	-	-
MAF International non-aircraft projects	-	2,049	(2,049)	-	-	-
MAF International staff	-	110	(110)	-	-	-
	<u>-</u>	<u>2,218</u>	<u>(2,218)</u>	<u>-</u>	<u>-</u>	<u>-</u>
MAF Australia	-	36	(36)	-	-	-
MAF Canada	-	21	(21)	-	-	-
MAF Germany	-	1	(1)	-	-	-
MAF Netherlands	-	16	(16)	-	-	-
MAF New Zealand	-	-	-	-	-	-
MAF South Africa	-	4	(4)	-	-	-
MAF Sweden	-	-	-	-	-	-
MAF Switzerland	-	-	-	-	-	-
MAF USA	-	28	(28)	-	-	-
	<u>-</u>	<u>106</u>	<u>(106)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>2,324</u>	<u>(2,324)</u>	<u>-</u>	<u>-</u>	<u>-</u>
MAF UK International Staff	90	949	(956)	-	-	83
	<u>90</u>	<u>3,273</u>	<u>(3,280)</u>	<u>-</u>	<u>-</u>	<u>83</u>