



# **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 2015**

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## Message from the Chairman and Chief Executive

In 2015, we celebrated the 70th year of MAF's existence - our planes and personnel continuing to bring restoration after conflict, healing to the broken and food for the hungry. We are grateful that, 70 years on, we remain able to provide physical and spiritual transformation in Jesus' name to remote and isolated people.

### Giving thanks for new beginnings

We rejoiced when we received permission to provide life-saving assistance in a new country. In April, in response to the Nepal earthquake, our Disaster Response Team began co-ordinating a helicopter response facility. Using 2 helicopters operated by local company Fishtail Air, we were able to provide medical emergency airlifts and bring relief workers, medicine, clean water, tarpaulins and food to 315 otherwise inaccessible locations.

2015 saw the opening and dedication of our Liberia Lifeline, the safe arrival of our Cessna 208 aircraft in Monrovia, and our first flight for humanitarian organisation Water Missions International - bringing help, hope, healing and clean water to a country lacking infrastructure and development and sadly broken, not only by the outbreak of Ebola, but by years of violence and unrest.

### Celebrating MAF highlights

Other highlights included the official opening of MAF's new Training Centre in Mareeba, the signing of the land deal for our new compound in South Sudan which will enable us to start building six houses for personnel, the arrival of a Cessna 182 aircraft to join our South Sudan fleet, and a visit by the Most Reverend Justin Welby and his wife Caroline to our Folkestone office.

'What you do,' Archbishop Justin said, 'is invaluable and extraordinary.'

It was good, too, to see MAF featured on a national TV documentary called *Flying to the Ends of the Earth*. With a primetime evening audience of over one million viewers, it was an excellent opportunity to raise MAF's profile - with many Christians commenting on the incredible work they were witnessing in Jesus' name on TV.

### Rejoicing in a year of successful service

Thanks to MAF flights to over 1,650 remote locations, the ill and injured received life-saving medevacs and those forced to flee from their villages because of conflict were able to hear the Gospel and have their physical needs met.

The sacrificial service of our 30 UK staff and their families serving God in dangerous or difficult-to-reach areas also enabled some 1,500 partners, peacemakers, comforters and church workers to provide isolated people in some of the world's most troubled regions with practical help and the peace only Jesus can bring.

Some of the stories that appear in the Trustees' Report from countries such as Arnhem Land, Bangladesh, Kenya, Liberia, Madagascar, Mongolia, Nepal, Papua New Guinea, South Sudan, Tanzania, Timor-Leste and Uganda show how the lives and livelihoods of countless people living in some of the remotest and poorest places on earth benefitted immeasurably as our partners, our planes and our personnel helped warring tribes to unite, restored sight to hundreds of people, shared the Gospel, saved lives, encouraged the Church, and brought peace to lives devastated by violence and upheaval.

### **Praising God for His generous provision**

We praise God for His provision during 2015 of:

- Over £13.6 million of income
- £2.5 million received in legacy gifts
- 9,123 new contacts and supporters
- Over 1,500 MAF Day of Prayer packs requested
- Over 981 new regular givers
- Over 800 presentations given by volunteers at churches and events.

We would like to thank all our generous supporters and volunteers for enabling our planes to keep flying and giving hope to remote and inaccessible people throughout the world. Without the faithful assistance of everyone who supported us, we couldn't have achieved all that has been accomplished in the 70 years since MAF started its mission.



Roger Mitty  
Chairman of Trustees



Ruth Whitaker  
Chief Executive

## Report of the Trustees for the year ended 31 December 2015

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 2015. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### 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 reflect our main charitable activities and their impact, demonstrating how the public benefit is delivered.

### Operational impact

Our mission is to reach the unreachable in some of the world's most isolated and inaccessible areas - places where people are cut off as a result of geographical barriers, conflict, war, natural disaster or the dangers incurred by overland travel. During 2015, our planes flew to some 1,650 remote locations, enabling our 1,500 partners to bring help, hope and healing to people in spiritual and physical need. With more than 130 light aircraft, and bases in over 25 countries, MAF was ideally placed to meet people's needs quickly and effectively. We did so by:

- **Providing emergency relief**

When two tropical cyclones struck **Arnhem Land** in 2015, strong winds, heavy rain and a powerful tide wiped out power, water supplies and communications. MAF personnel checked on those living in the remote homelands where houses had been damaged and destroyed, and helped those affected by natural disaster to rebuild their battered communities.

In **Nepal**, the MAF co-ordinated response facility enabled 2 helicopters to conduct 5,535 separate flight legs, carry out 56 medevacs and transport 6,097 passengers and 910,048kg of relief and aid airfreight for 87 NGOs and humanitarian aid agencies. One of the flights took Justine Greening, the UK Secretary of State for International Development, to see some badly hit areas in the remote Sindhupalchok district and to visit the UN World Food Programme compound and the Nepalese Military Base at Chautara.

- **Rebuilding communities**

In **Uganda**, MAF flights enabled organisations such as African Leadership and Reconciliation Ministries to rebuild communities devastated by the Lord's Resistance Army, and enabled partners such as Every Village, Wycliffe Bible Translators and the Diocese of Kajo-Keji to share the Good News, mentor believers and translate Scripture into various languages.

Flights in **Liberia**, our newest lifeline, enabled Water Missions International (WMI) to improve the water supply in various health centres. WMI's International Project Director thanked MAF, saying, 'The organisation is professional, yet very personal. The pilots began with a brief prayer for a safe flight and then we were off. Without MAF's support, the clean water project would not have been possible due to the rainy season and the nearly inaccessible roads.'

- **Providing healthcare**

In **Bangladesh**, our flights made the work of MAF partner Friendship possible by flying doctors to their three floating hospitals. Comparing lengthy road travel with a quick MAF flight, Friendship's founder said, 'If we can save one hour, it is one person's life being saved.' Our aircraft also enabled surgeons and healthcare supplies to reach the *Jibon Tari* floating hospital, allowing many Bangladeshis to receive transformative surgery on board IMPACT Foundation's ship.

MAF aircraft made it possible for a YWAM medical safari flight to take place in Jaja and Kiasi in **Tanzania**, which saw 300 people receive medical treatment, 100 mosquito nets distributed, 50 people prayed for, and 2 villagers come to faith. 'I can't wait to share the Good News again with people who are mostly forgotten by others and need our help,' said MAF Pilot Jarkko Korhonen.

- **Flying patients**

In **Madagascar**, when Norozara's leg was broken when a cow landed on him after it was struck by a fast-moving truck, he was flown to a mission hospital where the doctors operated on his leg and shared the Gospel. Three weeks before we flew him back to his village, Norozara was baptised. 'To know he was going home,' said MAF Pilot Josh Plett, 'brought such joy. To know he was going home after being born again was priceless!'

Another MAF flight carried Ledadaky, who had been shot by cattle thieves wielding assault rifles, from Ankavandra to hospital in Antananarivo, **Madagascar** - the 144-mile journey taking just 52 minutes and sparing the patient a difficult and dangerous journey overland.

- **Helping children and refugees**

In **Mongolia**, vulnerable children received life-changing treatment through our aircraft. Negmit, a 13-year-old boy with severe cerebral palsy, was flown from Bulgan Sum to the Reaching The Light therapy centre in Ulaanbaatar. After two weeks, he could sit cross-legged and touch and hold items with his once paralysed right hand. Other flights enabled patients such as three-year-old Dinara and ten-month-old Odonhuu to receive therapy and prayer.

We also helped Medair staff care for vulnerable people living in refugee camps in **South Sudan**. MAF's regular flights to IDP camps in areas such as Abayok and Wonhow helped deliver the nutritious food supplement Plumpy'Sup and essential medicines - saving many lives. According to Medair's Logistic Officer, 'From Juba, MAF's aircraft takes only three hours. It takes five days by road. If you add the issue of serious security risks - the only possible option is flying.'

Similar flights in **South Sudan** took place for Tearfund; the organisation's Nutrition Project Manager explaining, 'If it wasn't for MAF, I don't think we'd be having a programme, because we wouldn't have the supplies.'

- **Saving lives**

In **Papua New Guinea** (PNG), we airlifted a man called Gawak after he'd gone hunting and been accidentally speared in the back when he became separated from a friend. Having lost a lot of blood, Gawak wouldn't have been able to survive the arduous six-day journey by land and river. The same aircraft also carried Dorothy, who was suffering from an ectopic pregnancy which was close to rupturing, and a knife stab victim called Abilo. Thanks to MAF, three lives were saved in one day with one plane.

In 2015, our partnership with **Timor-Leste's** Ministry of Health continued to save lives - including that of Maria, a 39-year-old woman with pregnancy complications. MAF Pilot and Programme Manager Jonathan Lowe was delighted that 'this was the 700th patient we'd transferred from remote areas to Dili since we started flight operations in 2007.' Later, during a busy 19-day period, Jonathan performed 18 medevacs for patients who needed urgent medical attention at Dili Hospital.

- **Ending violence and preventing deaths**

In **Kenya**, flights for Sauti Moja personnel enabled the NGO to help unite the Borana and Rendille tribes who were originally trapped in a violent conflict that had claimed 250 lives. Sauti Moja's founder thanked MAF, saying, 'If we're doing peace work in remote

communities, it can take two days to get there. With MAF, we can be there in a couple of hours.'

Deaths were also prevented in Fiyawena, PNG. When 4 women and their 13 children were accused of being witches and causing people to die during an outbreak of measles, we flew a Lutheran missionary and a team of Christian peacemakers to prevent the innocent villagers being killed. Thanks to MAF flights, the missionary and a courageous schoolgirl called Nes, the villagers eventually agreed to stop killing people falsely accused of witchcraft. They renounced sorcery, murder and intimidation, accepted a copy of God's Word, and prayed for God's mercy.

- **Spreading the Gospel**

In 2015, an MAF flight enabled missionaries from a church in Ulaanbaatar to reach **Mongolia's** border to share the Gospel with a group of Altai people in **Siberia**. Two Altai men and a child professed faith in Jesus. An Altai woman, when asked if she wanted to follow Jesus, replied, 'Not only me, but I want my children, my family and all my friends to follow Him also!' A young Russian woman also became a Christian. Earlier in the year, during an MAF prayer day, three local MAF staff in Ulaanbaatar came to faith.

In **Arnhem Land**, MAF's missionary personnel provided essential flights for the indigenous Yolŋu people, disciplined believers, ran Kids Clubs, held weekly Bible studies with prisoners in Nhulunbuy, distributed solar-powered audio Bibles, CDs and DVDs to homeland communities, developed Scripture apps for the Gumatj and Djambarrpuyngu languages, took part in outreach, and set up a Wi-Fi router for the Yirrkala Aboriginal Church so people living remotely could download Gospel resources.

- **Distributing and translating God's Word**

Apart from helping to share God's Word, our staff in **South Sudan** flew a precious cargo of 176kg of Bibles in English, Dinka, Zande and Moru to Nzara for the South Sudanese Bible Society, and transported a 600kg load of Bibles to missionaries working in Doro. The people, according to MAF Programme Manager Bastiaan de Waal, were so keen to have a copy in their own language, 'they couldn't wait to get their hands on it!'

MAF's mission-minded personnel distributed copies of a Turkana translation of the Bible to the Jesus Film Ministry in Lodwar, the Redeemed Gospel Church in Lokichoggio, and the Nazarene Compassionate Ministry, **Kenya** - and provided regular flights so Bible translators Laban and Joshua could start translating the New Testament into Rendille.

- **Saving and restoring sight**

In **Timor-Leste**, we helped people to receive physical (as well as spiritual) sight - our aircraft enabling a team of optometrists to carry out cataract operations, provide eye examinations and train local eye-care workers. Andrew, one of the sight-saving team, said, 'Every day we help people to regain their sight, and see lives changed through this. That's why I love MAF.'

We also flew a team of ophthalmologists and more than 300kg of equipment to Maban, **South Sudan**. The cataract clinic, held at the refugee camp there, was organised by World Gospel Mission (WGM). 'Air travel,' WGM's Country Co-ordinator explained, 'is the only way we're able to travel and get the job done.' Thanks to the week-long clinic, 1,700 people were screened for eye problems, and over 400 people received their sight back.

- **Feeding the hungry**

Finally, in times of hunger our planes enabled people to receive food. When drought and frost decimated the sweet potato crop in **PNG's** food growing highland areas, we distributed over 27 tonnes of rice and tinned fish to isolated areas such as Sisamin, Edwaki, Oksapmin, Bak and Fiyak, to prevent people starving.

In **Bangladesh**, a flight enabled the US Ambassador to Bangladesh to visit a school feeding programme that provides high energy biscuits to two million children who would otherwise go hungry. The flight to Gaibandha District not only saved time but was also far safer than a 150-mile journey along potentially hazardous roads.

### **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
- Guernsey Overseas Aid Commission
- The Stobart Newlands Charitable Trust
- The Maurice and Hilda Laing Charitable Trust.

### **Objects, Objectives and activities for 2015**

MAF UK's aim is to support partner churches, missions, humanitarian, 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.

MAF UK is a member of MAF International, which is an association of operational and resourcing MAF groups around the world, all with the same charitable objects, vision and mission. MAF UK charitable activities are achieved through the provision of funds and staff. Funds raised in the UK for MAF work are passed to MAF International, with the

overseas staff recruited and employed by MAF UK seconded to MAF International, which manages the overseas operations. Restricted funds are passed across when they are received and each year MAF UK makes an unrestricted grant to MAF International which is paid monthly. The grant is based on MAF International's budgeted need and MAF UK's expected income.

**Specifically, the objectives together with outcomes for 2015 were:**

- Attract, prepare and train new technical staff to serve overseas.

Five new staff members accompanied by their families have been sent on their first assignment overseas. Additionally, one new staff member is preparing for service. We had 113 registered enquirers during 2015.

- Increase our awareness and raise our profile to help grow our supporter team in the UK.

Many opportunities have been created to raise the profile of MAF, with a step change in visibility and engagement at some national events having been particularly encouraging. A recent follow-up public survey of Christians showed an increase in prompted awareness of MAF, by 3%.

- 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.

The new website was launched in March and has been well received. The engagement of people using the site has increased, leading to longer time spent on pages and more pages viewed per visit. Online giving this year has grown 17% which is very encouraging. The new site gives us the ability to update our content faster and easier. This means that up-to-date stories, videos and pictures of God's work through MAF can be shared much quicker.

- 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.

We have an enhanced number of partnerships established with churches, individuals and trusts, leading to core programme costs being funded and the financing of several key capital projects, eg Twin Otter aircraft refurbishment in Papua New Guinea, development of infrastructure needs/completion of security wall in Liberia, completion of avionics upgrades on two aircraft and a pledge for staff housing construction in South Sudan.

We started our Church Engagement Partnerships in 2015 and are very pleased with how this is working and the number of churches that partnered with us. The partnerships helped churches support the work in some of our programmes and raised their congregations' awareness of overseas mission.

- 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.

The Day of Prayer resources were requested by many churches and individuals, with a total of 1,530 packs sent out. Good feedback has been received from supporters and volunteers. Prayer groups continue to meet and we are grateful to all individual supporters who continue to remember the MAF teams around the developing world in prayer.

### **The MAF team in the UK**

Throughout 2015, MAF in the Community's dedicated team of volunteers continued to inspire and challenge people about our work through hundreds of presentations in churches and groups across the UK.

The MAF Roadshow, which comprises a static Cessna display aircraft, a large exhibition trailer and the smaller exhibition truck, has been to numerous events, raising our profile throughout the UK.

It was great to again use our Roadshow to tell people about MAF at Spring Harvest and The Big Church Day Out weekend, which was attended by over 25,000 people.

We also attended some smaller Christian events at various UK churches as well as The Gathering 2015 conference in Swindon, run by Christian Vision for Men.

It was good too to continue our partnership with popular Christian singer/songwriter Cathy Burton, who held 11 free concerts in UK churches where people heard about MAF. Our partnership with the Big Church Night In worship tour with well-known Christian singer/songwriter Matt Redman also helped MAF's story to reach a new audience when we showed a short film about MAF before each concert.

2015 also saw the successful launch of a new initiative aimed at partnering with churches across the UK. The Lifeline Partnership enabled 15 churches to get to know more about MAF and our work overseas - resulting in an increase both in gifts and in opportunities to meet new people.

We're delighted that the number of churches taking part in MAF fundraising initiatives such as Frying for Life breakfast meetings and Bake Off to Take Off coffee mornings increased significantly.

In 2015, we recruited a new MAF Youth Co-ordinator and exhibited at various youth events which resulted in 762 young people signing up to hear more about our work. A new youth volunteer programme was also launched - with a number of keen new volunteer speakers agreeing to tell people about MAF.

Finally, we give thanks that the Youthwork Conference in November generated over 50 requests for us to provide speakers for church youth meetings.

Volunteer numbers		2015	2014
Area Reps	England and Wales	79	80
	Scotland	39	38
	Ireland	14	15
Church Reps	England and Wales	278	290
	Scotland	132	139
	Ireland	84	90
Prayer Group Leaders	England and Wales	15	16
	Scotland	13	16
	Ireland	9	19

The above table shows the numbers of volunteers at the year-end, without whom none of the MAF in the Community's activities would be possible. Our volunteers give their time generously over a long period of time.

### Events in Scotland

2015 has been a year of transition. Our traditional support from churches in Scotland is changing as the churches themselves change - bringing unique challenges.

To counter this, we trialled some new and innovative ways to ensure we move with the times and remain relevant.

Our Country Lifeline Partnership, launched in January 2015, was designed to better engage with churches and develop enjoyable, lasting and mutually beneficial relationships.

Apart from the Partnership's encouraging Launch and Celebration Sundays, we offered the churches MAF's photographic exhibition, organised Clive Parnell concerts, showed the inspiring movie *End of the Spear*, complete with MAF speakers, and ran two food related events.

Eight churches joined our initiative, with a further seven signing up for next year.

We also launched two social media platforms: MAF Scotland Events on Facebook, and @MAFSCOTLAND on Twitter. Both enabled people to engage with MAF in Scotland, promoted our events and raised our profile. Facebook received 820 followers and Twitter 245 - with the numbers still growing.

In May, MAF's display plane appeared at three events. This proved to be a popular attraction and led to more supporters receiving updates of our news and needs.

In August, we helped sponsor a church community outreach in Glasgow, where we met many new people and obtained the names of a further 128 potential supporters.

In October, Ruth Jack, our new Head of Scotland, joined the team - for which we are grateful.

Finally, we give thanks to all our supporters and partner churches for their prayers and kindness in 2015.

### **International staff**

We currently have 30 staff, accompanied by their families, based overseas - with 1 new staff member in the UK preparing for service and 5 new staff members being sent on their first assignment overseas.

We are also grateful for three candidates in the final stages of assessment, representing Pilot roles in Arnhem Land as well as a Pilot/Management role.

Informal feedback from new personnel shows that many first heard about MAF through a church meeting or event, which emphasises the importance of the UK HR Department's continuing partnership with MAF's teams of volunteers.

Support levels remained high throughout 2015, and we are grateful for the way our staff encouraged and inspired their supporters.

Throughout 2015, the number of people enquiring about working for MAF was encouraging, and we continued to grow our bank of registered enquirers, which currently totals 113 individuals or couples actively considering service overseas.

Although online and offline sources of advertising worked well in collaboration with our volunteer teams, we hope to see the number of enquiries increase as we develop new advertising initiatives and better employ online tools to tell people about MAF vacancies.

### **Conclusion for 2015**

2015 has seen us celebrate 70 years since the start of MAF in the UK, and it has been an honour to communicate the achievements made over that time. 2015 has been a year in which we have again been blessed with good income and overall financial results. We are very thankful to our faithful and new supporters who continued to support us, and are grateful to our team who worked hard to enable two new MAF programmes to begin.

Overseas recruitment remains a priority as we would still like to see more candidates progressing to the mission field.

We would like to thank everyone who supported MAF's work and enabled help, hope and practical care to reach people living in some of the remotest and most challenging places on earth. The lives we touched were only reached because of the gifts, prayers and time given by faithful supporters. By doing so, they enabled us to continue 'flying for life' - transforming lives in circumstances where flying is not a luxury but a lifeline.

### Future plans

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

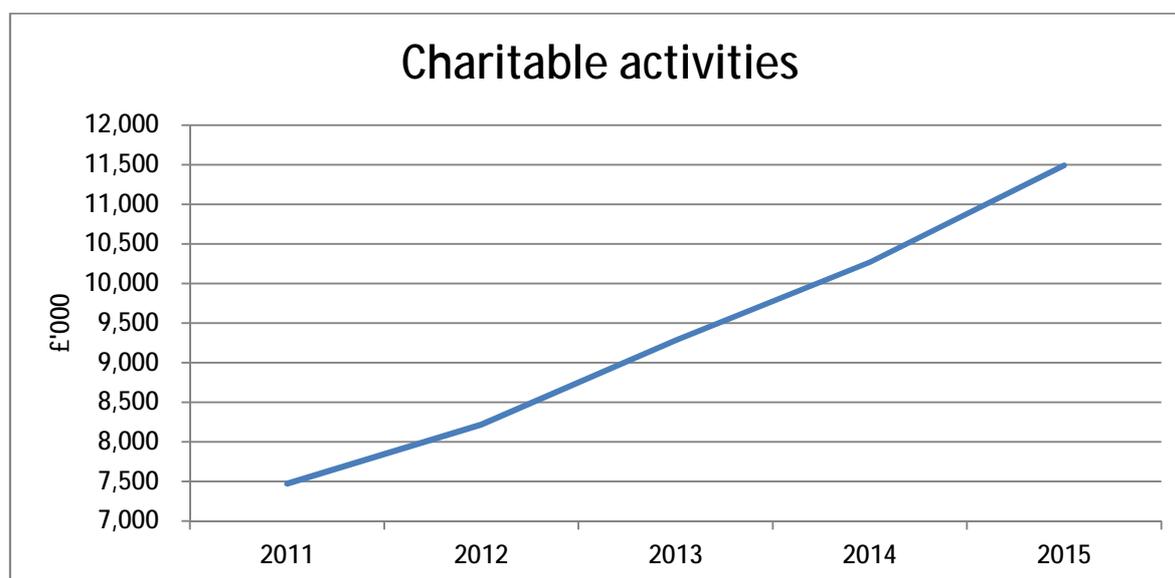
As we look forward, our plans in the UK include:

- Increasing people's awareness and raising our profile by attending Christian events and through various media outlets, so MAF is known for its work in reaching isolated people in the developing world.
- Using a wide range of media, including an increased focus on digital platforms, to inspire and attract new supporters and donors with high quality communications that meet their needs.
- Attracting, preparing and training new technical staff to serve overseas, particularly for the Papua New Guinea team.
- Inspiring our prayer supporters and increasing their number by encouraging individuals and groups to pray for our work and our overseas teams - many of whom live and work in very inhospitable places.
- Growing existing partnerships with individual donors and trusts, as well as developing new opportunities for prospective donors to fund core programme costs, identified capital needs, and additional aircraft. This is particularly necessary to develop our work in Liberia and Nepal, increase infrastructure in South Sudan and provide new aircraft for Liberia and Bangladesh.
- Increase our church partnerships - inspiring and educating UK congregations about mission and the impact of God's work through MAF and its partners. We aim to increase prayer and financial support for our programmes, and grow the number of churches and individuals encouraging potential candidates to serve overseas.

**Strategic Report**

Financial review

<b>Five-year history</b>					
Income and expenditure £000	2011	2012	2013	2014	2015
<b>Income</b>					
Unrestricted donations	6,142	6,397	6,620	6,389	6,322
Legacies	2,301	2,944	2,390	2,476	2,480
Investment income	17	102	130	63	51
International staff support	796	817	917	949	949
<b>Other restricted income:</b>					
Aircraft	4	237	562	59	177
Nepal	-	-	-	-	1,417
East Africa campaign	919	23	-	-	-
PNG Otter repair	-	-	69	472	346
South Sudan	-	-	228	519	528
Uganda Kajjansi office	-	-	-	119	38
Other	1,204	1,244	1,134	1,155	1,330
<b>Total income</b>	<b>11,383</b>	<b>11,764</b>	<b>12,050</b>	<b>12,201</b>	<b>13,638</b>
<b>Expenditure</b>					
Cost of generating voluntary income	2,191	2,478	2,264	2,310	2,176
Charitable activities	7,490	8,242	9,306	10,270	11,492
<b>Total expenditure</b>	<b>9,681</b>	<b>10,720</b>	<b>11,570</b>	<b>12,580</b>	<b>13,668</b>
<b>Net incoming / (outgoing) resources</b>	<b>1,702</b>	<b>1,044</b>	<b>480</b>	<b>(379)</b>	<b>(30)</b>



Charitable activity again grew by more than ten percent in 2015, the fifth year of continued growth, only made possible by the generosity of our supporters.

Page 24 sets out the Statement of Financial Activities for MAF UK for the year. The total income for the year was £13.6m (2014: £12.2m; 99%).

The principal source of funding was through voluntary donations providing some 99% (2014: 99%) of total income. Of this, legacy income amounted to 18% (2014: 20%).

As shown in note 2, donation income from the various donor groupings was by and large comparable but with a large growth in government income, representing the extra funding towards the Nepal disaster relief work.

The benefits of tax-efficient giving were again increased through the securing of a further 3,168 Gift Aid Declarations during 2015 (2014: 3,257), bringing the total number of on-going Declarations to 38,280 (2014: 39,170). Tax claimed on 2015 gifts amounted to £904,419 (2014: £821,045).

During the year, the sum of £1,743,000 (note 4) was paid in staff support to 26 staff (note 5) (individuals/families) from the UK serving overseas (2014: £1,683,000 to 28 staff individuals/families).

In addition, unrestricted grants of £4,322,000 (note 4) and restricted income of £3,833,000 (note 12) totalling £8,155,000 (2014: £7,023,000\*) were passed to sister MAF groups worldwide, primarily to assist in the provision of mission aviation (\*2014: unrestricted grants of £4,699,000 and restricted income of £2,324,000). As stated in the 2014 accounts, the Senior Leadership Team identified extra projects (in addition to budget) so that an extra £411k of one-off grants (note 4) were granted (see Reserves section).

The assets and liabilities of MAF UK are set out in the Balance Sheet (page 25). 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.

Investment income was £51k (2014: £63k) reflecting the paucity of current interest rates. All available cash is placed on deposit.

### **Investment powers and policy**

The investment powers of the Trustees are as set out in the Articles. Any sums not immediately needed are invested in interest earning accounts. It is the Trustees aim to ensure that funds are applied as quickly as possible, whilst also maintaining a suitable risk-based cash reserve to address the risks identified in the risk management process

(see Risk Management section). Given the nature of the funds held, they are not invested so that the capital is put at risk.

### **Reserves policy**

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on donation and investment income. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

It is the Board's policy to reserve sufficient funds to ensure the ongoing operations of MAF UK. The reserves include a Base Reserve (4 to 8 months' of working capital, an increase in 2015 from 3 to 6 months' previously) 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 was used to fund the further development of the new Juba land, complete the much needed update of a Uganda Caravan and accelerate the recruitment of overseas staff. The Trustees with the Senior Leadership Team expect to fund additional projects during 2016 so that the Future Projects Fund is fully expended.

The Base Reserve year-end balance of £6.99m was in excess of the 8-month (working capital) upper limit (£6m). This was the result of above budget legacy income and significant cost savings against budget. The Senior Leadership Team will look for suitable extra-to-budget projects that will utilise the extra funding in 2016.

The Fixed Asset Cost fund year-end balance was £256k representing the original cost of all fixed assets. When fixed assets reach the end of their useful life, they can be replaced using the cash element of this fund.

### **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 (below).

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

## **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.

## **Structure, governance and management**

### **Governing document**

MAF UK is a charitable company limited by guarantee and a registered charity. It is governed by the Articles dated 15 September 1997 and revised in April 2015. 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.

In 2015 the Articles were updated removing the need for AGMs. Trustees are elected for three-year terms, up to a maximum of nine consecutive years.

Board decisions are made by majority vote.

During the year, the Board welcomed three new Board members; Ian Bromilow, Richard Jones and David West. The December Board meeting was Stephen Lockley's final meeting and the Board thanked him for his valued service as Trustee, Vice-Chair and Chair of the Finance and Risk Subcommittee. Gareth Mitchell is the new Vice-Chair and Ian Harnett the new Chair of the Finance and Risk Subcommittee.

The number of Members may not be less than two. The Trustees are also the Members.

### **Trustee induction and training**

In the Trustee induction programme, new Trustees are provided with the 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 three or 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 approve an annual operational budget which sets out income targets and expenditure limits. Within the budget, the day-to-day responsibility for the charity's operations is delegated to the Chief Executive and the Senior Leadership Team (listed as Key Management Personnel on page 21).

### **Remuneration policy**

MAF UK is a charitable Christian mission organisation and seeks to show responsible stewardship of its resources. The objective is to attract and retain the right calibre staff along with the requirements for fairness, non-discrimination, and contractual arrangements.

Each UK job is evaluated by a job evaluation panel made up of senior management, HR and staff representation. A salary is then calculated based on the comparison of jobs in the same grade and the points awarded for those jobs.

All salaries have been benchmarked using a commercial provider of salary data and measured against:

- Comparable jobs and organisations in our region
- Market matching basic salaries between the lower quartile and median
- Organisations with an annual turnover of between £10M to £50M

The General Pay Award is considered each year and is primarily dependent on the income of the organisation and ensuring that funding to MAF International operations is not adversely impacted. The General Pay Award is based on a range of indices such as the Retail Price Index, Consumer Price Index, and a comparison to what others are doing in regards to salary rises in the third sector. The MAF UK board are responsible for approving the budget for the year to come and this includes the recommendation for the General Pay Award.

MAF UK's Senior Leadership Team sits within the framework of the UK salary structure as set out as above. The MAF UK Board agrees the salary for the chief executive. No bonuses are paid to any member of staff. The pension provision for the chief executive and Senior Leadership Team are on the same terms as other employees.

### **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](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/298714/cc8check.pdf)

## 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 United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give true and fair view of the state of the affairs of the charitable company and of its income and expenditure 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 accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are 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 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)	(to 15 December 2015)
Richard Jones FCMA BSc (Hons)	(from 29 April 2015)
David West FCIPD	(from 29 April 2015)
Ian Bromilow	(from 29 April 2015)

### Key management personnel

Chief Executive	Ruth Whitaker BEng (Hons)
Finance Director	Alex Finlow FCA MSc
Head of Personnel	Gary Colvin FCIPD MA
Head of Partnership Development	Jeremy Abbott
Head of Fundraising	Mike Fagg
Head of Branding and Communications	Linda Trew PgDip MInstF(Cert) (to 31 August 2015)

### 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: <a href="http://www.maf-uk.org">www.maf-uk.org</a>
Date of Incorporation 16 September 1997	
Registered charity in England and Wales (1064598) and in Scotland (SC039107)	
Registered Office and Principal Address	1 <sup>st</sup> 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 17 March 2016.

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 2015 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) including FRS 102 'The Financial reporting Standard Applicable in the UK and Ireland'.

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 19] 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 2015 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: 17 March 2016

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.



## 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 2015**

**Statement of Financial Activities**

*(incorporating an Income and Expenditure Account)*

for the year ended 31 December 2015

		2015			2014		
	Note	Unrestricted funds £ 000	Restricted funds £ 000	Total funds £ 000	Unrestricted funds £ 000	Restricted funds £ 000	Total funds £ 000
<b>Income from:</b>							
Donations and legacies	2	8,802	4,785	13,587	8,865	3,273	12,138
Investments	3	51	-	51	63	-	63
<b>Total</b>		<b>8,853</b>	<b>4,785</b>	<b>13,638</b>	<b>8,928</b>	<b>3,273</b>	<b>12,201</b>
<b>Expenditure on:</b>							
Raising funds		2,176	-	2,176	2,310	-	2,310
Charitable activities		6,698	4,794	11,492	6,990	3,280	10,270
<b>Total</b>	4	<b>8,874</b>	<b>4,794</b>	<b>13,668</b>	<b>9,300</b>	<b>3,280</b>	<b>12,580</b>
<b>Net income / (expenditure)</b>	4	<b>(21)</b>	<b>(9)</b>	<b>(30)</b>	<b>(372)</b>	<b>(7)</b>	<b>(379)</b>
<b>Reconciliation of Funds</b>							
Total funds brought forward	11a/b	7,622	83	7,705	7,994	90	8,084
Total funds carried forward	11a/b	<b>7,601</b>	<b>74</b>	<b>7,675</b>	<b>7,622</b>	<b>83</b>	<b>7,705</b>

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 27 to 34 form an integral part of these financial statements.

**Balance Sheet**

as at 31 December 2015

	Note	2015			2014		
		Unrestricted funds	Restricted funds	Total funds	Unrestricted funds	Restricted funds	Total funds
		£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
<b>Fixed assets</b>							
Tangible assets	6	20	-	20	34	-	34
<b>Total fixed assets</b>		<b>20</b>	<b>-</b>	<b>20</b>	<b>34</b>	<b>-</b>	<b>34</b>
<b>Current assets</b>							
Debtors	7	1,679	-	1,679	1,448	-	1,448
Investments		4,327	74	4,401	5,782	83	5,865
Cash at bank and in hand		2,935	-	2,935	1,157	-	1,157
<b>Total current assets</b>		<b>8,941</b>	<b>74</b>	<b>9,015</b>	<b>8,387</b>	<b>83</b>	<b>8,470</b>
<b>Liabilities</b>							
Creditors:							
Amounts falling due within one year	8	(1,360)	-	(1,360)	(799)	-	(799)
<b>Net current assets</b>		<b>7,581</b>	<b>74</b>	<b>7,655</b>	<b>7,588</b>	<b>83</b>	<b>7,671</b>
<b>Total net assets</b>		<b>7,601</b>	<b>74</b>	<b>7,675</b>	<b>7,622</b>	<b>83</b>	<b>7,705</b>
<b>The funds of the charity:</b>							
Base reserve	11	6,995	-	6,995	6,600	-	6,600
Other Designated funds	11	606	-	606	1,022	-	1,022
<b>Total unrestricted income funds</b>		<b>7,601</b>	<b>-</b>	<b>7,601</b>	<b>7,622</b>	<b>-</b>	<b>7,622</b>
Restricted income funds	12	-	74	74	-	83	83
<b>Total funds</b>		<b>7,601</b>	<b>74</b>	<b>7,675</b>	<b>7,622</b>	<b>83</b>	<b>7,705</b>

Approved by the Board on 17 March 2016 and signed on its behalf by:

Roger Mitty  
Chairman

Gareth Mitchell  
Vice-Chairman

The notes on pages 27 to 34 form an integral part of these financial statements.

## Cash Flow Statement

for the year ended 31 December 2015

		2015	2014
		£ 000	£ 000
<b>Reconciliation of net income / (expenditure) to net cash flow from operating activities</b>			
	Note		
Net (expenditure) for the year		(30)	(379)
Adjustments for:			
Depreciation charges	6	24	42
Interest	3	(51)	(63)
(Increase) in debtors		(231)	(288)
Increase in creditors		561	21
Net cash provided by / (used in) operating activities		273	(667)
<b>Statement of cash flows</b>			
Cash flows from operating activities:			
Net cash provided by / (used in) operating activities		273	(667)
Cash flows from investing activities:			
Interest	3	51	63
Transfer from investments		1,464	700
Purchase of fixed assets	6	(10)	(16)
Net cash provided by (used in ) investing activities		1,505	747
Change in cash and cash equivalents in the year		1,778	80
Cash and cash equivalents at the beginning of the year		1,157	1,077
Cash and cash equivalents at the end of the year		2,935	1,157

The notes on pages 27 to 34 form an integral part of these financial statements.

**Notes to the Financial Statements  
for the year ended 31 December 2015**

**1. Accounting policies**

**Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006, the Charities Act 2011 and Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No 2) Regulations 2014.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the charity's forecasts and projections and have taken account of pressures on donation and investment income. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

FRS 102 has been adopted for the first time when preparing these financial statements. The transition date to FRS 102 was 1 January 2014 and the last financial statements prepared under the previous reporting framework were prepared for the year ended 31 December 2014. An explanation of how the transition has affected the reported financial position and financial performance is provided in note 4 to the financial statements.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

**Fund accounting**

The charity maintains three types of fund. General unrestricted funds (Base Reserve) are available for use at the discretion of the Trustees in furtherance of the general charitable objectives. Designated unrestricted funds are monies set aside by the Trustees from unrestricted funding for specific purposes. Restricted funds are funds subject to specific conditions imposed by donors.

**Income**

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Legacies are recognised following probate and once there is sufficient evidence that receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, details are disclosed as a contingent asset until the criteria for income recognition are met.

**Government grants**

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

**Notes to the Financial Statements  
for the year ended 2015**

**Expenditure**

Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all related costs to the category.

The following specific policies apply to categories of expenditure:

**Raising funds**

Raising 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, support and governance costs.

**Charitable activities**

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, and includes a proportion of central overhead, support and governance costs.

**Support Costs**

Support Costs include functions such as general management, information technology and human resources. Together with governance costs they are allocated between the cost of raising funds and charitable activities, as shown in note 4.

**Critical accounting estimates and areas of judgement**

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

**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 - 2015:£1k, (2014:£6k).

**Tangible fixed assets and depreciation**

Assets with a useful economic life of more than one year and a value in excess of £750 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.

**Cash**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Deposits with maturity greater than three months from the year end are classified within investments.

**Operating leases**

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

**Pensions**

MAF UK operates a 10% non-contributory defined contribution scheme for its employees. The contributions are paid monthly as they fall due. The expense to activity allocation matches the wage to activity allocation. Pensions costs are treated as unrestricted unless a specific restricted gift was received for that purpose.

**Transfers between funds**

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

Notes to the Financial Statements  
for the year ended 31 December 2015

	Unrestricted		Restricted		2015	2014			
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
<b>2 Donations</b>						unrestricted	restricted	restricted	total
Individuals (non legacies)		5,457		1,550	7,007	5,260		1,900	7,160
Churches		527		335	862	580		337	917
Trusts		260		1,060	1,320	453		442	895
Companies		52		49	101	56		30	86
<i>DFID</i>	-		1,476			-	260		
<i>Isle of Man</i>	-		107			-	93		
<i>Other Governments</i>	-		143			-	183		
Governments		-		1,726	1,726			536	536
Other		26		45	71	40		22	62
Legacies		2,480		20	2,500	2,476		6	2,482
		<u>8,802</u>		<u>4,785</u>	<u>13,587</u>	<u>8,865</u>		<u>3,273</u>	<u>12,138</u>
<b>3 Investment income</b>									
Interest receivable					51				63
	Unrestricted	Restricted	Sub-total	Apportioned	2015	2014			
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
<b>4 Expenditure</b>						unrestricted	restricted	Apportioned	total
<b>Raising funds</b>									
Voluntary income	1,600	-	1,600	168	1,768	1,685	-	192	1,877
Donor acquisition	369	-	369	39	408	389	-	44	433
	<u>1,969</u>	<u>-</u>	<u>1,969</u>	<u>207</u>	<u>2,176</u>	<u>2,074</u>	<u>-</u>	<u>236</u>	<u>2,310</u>
<b>Charitable activities:</b>									
International Staff	782	961	1,743	183	1,926	727	956	191	1,874
grants: regular	4,045	-	4,045	425	4,470	4,263	-	483	4,746
grants: one-off	411	-	411	43	454	566	-	64	630
restricted funding	-	3,833	3,833	403	4,236	-	2,324	263	2,587
Overseas operations *	4,456	3,833	8,289	871	9,160	5,556	3,280	1,001	9,837
Information and education	367	-	367	39	406	389	-	44	433
	<u>5,605</u>	<u>4,794</u>	<u>10,399</u>	<u>1,093</u>	<u>11,492</u>	<u>5,945</u>	<u>3,280</u>	<u>1,045</u>	<u>10,270</u>
<b>Support costs</b>									
Support costs	1,284	-	1,284	(1,284)	-	1,263	-	(1,263)	-
<i>Trustee travel and meetings</i>	3					4			
<i>Audit</i>	13					14			
Governance	16	-	16	(16)	-	18	-	(18)	-
	<u>1,300</u>	<u>-</u>	<u>1,300</u>	<u>(1,300)</u>	<u>-</u>	<u>1,281</u>	<u>-</u>	<u>(1,281)</u>	<u>-</u>
	<u>8,874</u>	<u>4,794</u>	<u>13,668</u>	<u>-</u>	<u>13,668</u>	<u>9,300</u>	<u>3,280</u>	<u>-</u>	<u>12,580</u>
Overseas operations * grants	<u>4,322</u>					<u>4,699</u>			

\* Institutional grants totalling £4,322,000 (2014: £4,699,000) were made during the year to MAF International Ltd.

Support costs include:	2015	Basis of allocation:	2014
General management	134	Apportioned proportionately	150
Financial management	344	across cost headings reflecting	381
Human Resources	176	cost effort (as above)	150
Information technology	230		190
Premises	400		392
	<u>1,284</u>		<u>1,263</u>

Notes to the Financial Statements  
for the year ended 31 December 2015

	2014	
4 continued	£ 000	
<b>Reconciliations on adoption of FRS 102</b>		
Net (expenditure) for the year ended 31 December 2014		
Net (expenditure) for the year ended under former UK GAAP	(379)	
Net (expenditure) for the year ended under FRS 102	(379)	
<b>Balance Sheet as at 31 December 2014</b>		
Reserves under former UK GAAP	7,705	
Reserves under FRS 102	7,705	
<b>Balance Sheet as at 1 January 2014</b>		
Reserves under former UK GAAP	8,084	
Reserves under FRS 102	8,084	
5 Trustee and staff remuneration, related party and other transactions	2015	2014
<b>Staff costs</b>	£ 000	£ 000
Wages and salaries	2,647	2,589
Social security costs	188	180
Other pension costs	326	332
Redundancy payments	15	-
	3,176	3,101
	Number	Number
Average number of employees - UK	59	62
Average number of employees - Overseas	26	27
	85	89
Average number of employees - UK (FTE)	52	55
Average number of employees - Overseas (FTE)	26	28
	78	83
Employees with total remuneration and benefits in excess of £60,000:	Number	Number
£60,000 - £70,000	-	-
£70,000 - £80,000	1	1
	£ 000	£ 000
Pension contributions in respect of these employees were	7	7
	£ 000	£ 000
Total remuneration/benefits of key management personnel	386	349
<b>Trustee reimbursed expenditure</b>		
Trustees are reimbursed for out-of-pocket travel and subsistence expenses.	£ 000	£ 000
The number of trustees who received reimbursement was 1 (2014: 2)	1	1
The trustees neither received nor waived any emoluments during the year (2014: £NIL)		
<b>Trustee donations</b>	£ 000	£ 000
Total donations without conditions received from trustees*	13	7
<b>Related party transactions</b>		
Apart from the trustee expenses and donations identified above, there were no other related party transactions.		

\* and related parties

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**Notes to the Financial Statements**  
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	Equipment	Total
	£ 000	£ 000
<b>6 Tangible fixed assets</b>		
<b>Cost</b>		
As at 01.01.2015	272	272
Additions	10	10
Disposals	(26)	(26)
As at 31.12.2015	256	256
<b>Depreciation</b>		
As at 01.01.2015	238	238
Charge for the year	24	24
Eliminated on disposal	(26)	(26)
As at 31.12.2015	236	236
<b>Net Book values</b>		
As at 31.12.2015	20	20
As at 31.12.2014	34	34
<b>7 Debtors</b>	<b>2015</b>	<b>2014</b>
	£ 000	£ 000
Amounts due within one year:		
Other debtors	18	41
Tax recoverable	260	173
Prepayments	191	230
Accrued income	1,210	1,004
	1,679	1,448
<b>8 Creditors: amounts falling due within one year</b>		
Trade creditors	1,217	603
Taxation and social security	45	50
* Other creditors	82	126
Accruals and deferred income	16	20
	1,360	799
<i>Other creditors includes:</i>		
* <i>in respect of pension scheme contributions</i>	30	33

**Notes to the Financial Statements**  
for the year ended 31 December 2015

9 Operating leases

	2015	2014
	£ 000	£ 000
Operating lease rental payments during the year:		
Land and buildings	118	115
Vehicles	10	10
	128	125

At 31 December 2015, the total future minimum lease payments under non-cancellable leases was as follows:

	2015		2014	
	Land and buildings £ 000	Other £ 000	Land and buildings £ 000	Other £ 000
Period:				
Within one year	112	17	111	9
Two to five years	255	41	344	21
	367	58	455	30

10 Analysis of net assets between funds

Fund balances as at 31 December 2015 were represented by:

	Base Reserve £ 000	Designated funds £ 000	Total Unrestricted £ 000	Restricted funds £ 000	Total funds £ 000
Tangible fixed assets	-	20	20	-	20
Current assets	8,355	586	8,941	74	9,015
Current liabilities	(1,360)	-	(1,360)	-	(1,360)
	6,995	606	7,601	74	7,675

Fund balances as at 31 December 2014 were represented by:

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

**Notes to the Financial Statements**  
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11a Funds	As at 01.01.15	Income	Expenditure	Transfers in	Transfers out	As at 31.12.15
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Base Reserve	6,600	8,853	(8,474)	26	(10)	6,995
<b>Designated funds</b>						
Fixed Asset Cost Fund	272	-	-	10	(26)	256
Future Projects Reserve	750	-	(400)	-	-	350
<i>sub-total</i>	<u>1,022</u>	<u>-</u>	<u>(400)</u>	<u>10</u>	<u>(26)</u>	<u>606</u>
<b>Total unrestricted income funds</b>	<u>7,622</u>	<u>8,853</u>	<u>(8,874)</u>	<u>36</u>	<u>(36)</u>	<u>7,601</u>
<b>Restricted funds</b> note 12a	83	4,785	(4,794)	-	-	74
<b>Total funds</b>	<u><u>7,705</u></u>	<u><u>13,638</u></u>	<u><u>(13,668)</u></u>	<u><u>36</u></u>	<u><u>(36)</u></u>	<u><u>7,675</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. Four to eight 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 expect to have fully depleted the fund by December 2016.

11b Funds	As at 01.01.14	Income	Expenditure	Transfers in	Transfers out	As at 31.12.14
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Base Reserve	6,982	8,928	(8,734)	6	(582)	6,600
<b>Designated funds</b>						
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>
<b>Total unrestricted income funds</b>	<u>7,994</u>	<u>8,928</u>	<u>(9,300)</u>	<u>588</u>	<u>(588)</u>	<u>7,622</u>
<b>Restricted funds</b> note 12b	90	3,273	(3,280)	-	-	83
<b>Total funds</b>	<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>

Notes to the Financial Statements  
for the year ended 31 December 2015

12a 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.

	As at 01.01.15 £ 000	Income £ 000	Expenditure £ 000	As at 31.12.15 £ 000
<b>Fund restriction:</b>				
MAF International aircraft projects	-	177	(177)	-
MAF International Nepal disaster relief	-	1,417	(1,417)	-
MAF International South Sudan	-	512	(512)	-
MAF International other non-aircraft projects	-	1,491	(1,491)	-
MAF International staff	-	113	(113)	-
	-	3,710	(3,710)	-
MAF Australia	-	42	(42)	-
MAF Canada	-	22	(22)	-
MAF Netherlands	-	33	(33)	-
MAF South Africa	-	4	(4)	-
MAF USA	-	22	(22)	-
	-	123	(123)	-
	-	3,833	(3,833)	-
MAF UK International Staff	83	952	(961)	74
	83	4,785	(4,794)	74
<b>12b</b>				
	As at 01.01.14 £ 000	Income £ 000	Expenditure £ 000	As at 31.12.14 £ 000
<b>Fund restriction:</b>				
MAF International aircraft projects	-	59	(59)	-
MAF International South Sudan	-	519	(519)	-
MAF International non-aircraft projects	-	1,529	(1,529)	-
MAF International staff	-	110	(110)	-
	-	2,218	(2,218)	-
MAF Australia	-	36	(36)	-
MAF Canada	-	21	(21)	-
MAF Germany	-	1	(1)	-
MAF Netherlands	-	16	(16)	-
MAF South Africa	-	4	(4)	-
MAF USA	-	28	(28)	-
	-	106	(106)	-
	-	2,324	(2,324)	-
MAF UK International Staff	90	949	(956)	83
	90	3,273	(3,280)	83