



Trustees report and financial statements  
for the year ending 31<sup>st</sup> December 2018

Registered Charity number: 1129924  
Registered company number: 06848059 (England and Wales)

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2018**

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## Reference and administrative details of the charity and its trustees

Virtual Development UK was incorporated and registered as a private company limited by guarantee on 16 March 2009 (Company No: 06848059). Virtual Development UK was registered with the Charities Commission as a charity on 1 June 2009 (Charity No: 1129924). Virtual Development UK operated under the name of the Virtual Doctors.

The name of the incorporated company was changed on 9 November 2016 to the Virtual Doctors Limited and entries at Companies House and the Charity Commission amended accordingly. In November 2017 'Limited' was removed from the name of the company which was changed to "the Virtual Doctors". From this point forward, the report will reference "the Virtual Doctors" (the charity) and "the Virtual Doctors" (the company) as appropriate. The Virtual Doctors has an affiliation with a registered Virtual Doctors NGO in Zambia (reactivated in late 2017). There are two office bearers who also act as advisors to the UK operation and four Directors of Virtual Doctors Ltd Zambia. the Virtual Doctors Limited – Zambia (company registration 120180004936, registration date 13 June 2018 is a partner agency with the UK operation, but the accounting will sit outside of the UK document.

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2018. The trustees have adopted the provisions of 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).

The Trustees are satisfied that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

### Board of Directors/Trustees

Mr I Kerr	Chairman
Mr G Marsh	Honorary Treasurer
Mr D Dutton	
Dr M Thompson	
Mr I Clarke	
Mr James Phiri	
Mr Naggib Chakhane	
Mrs Kathy Burke (appointed 25.04.18)	
Dr Diana Forrest (appointed 15.04.2019)	

(Biographies of each trustee are available at [www.virtualdoctors.org](http://www.virtualdoctors.org))

### Zambian In-country Advisers & NGO Standard Bearers\*\*/Trustees & Directors

Mr Boniface Fundafunda\*\* - appointed 13/06/2018  
Ms Shakerrie Allmond - appointed 13/06/2018  
Mr Ngenda Nyambe – appointed 13/06/2018  
Dr Phallon Mwaba- appointed 13/06/2018  
Mr Muyunda Munyinda\*\* - appointed 13/08/2018  
Mr Huw Jones – appointed 13/08/2018  
Mr James Phiri – appointed 13/08/2018

### Staff:

Huw Jones — Executive Director  
1 x Executive Business Assistant (part time)

Volunteer Medical Professionals (as at 1.6.19)  
113

### Independent examiner: -

Parkers  
Cornelius House  
178-180 Church Lane  
Hove BN3 2DJ

Bankers: -Co-operative Bank, (Business Banking), PO Box 250 Delf House, Skelmersdale, WN8 6WT

Charity Administrative office:  
Hangar 4,  
2-4 Cecil Pashley Way, Brighton City (Shoreham) Airport  
Shoreham-by-Sea BN43 5FF

Charity Registered Office:  
Sussex Innovation Centre, University of Sussex, Falmer,  
Brighton, BN1 9SB



## Structure, Governance and Management

### Structure

The Virtual Doctors has a Board of Directors and Trustees which, as at 31 December 2018 consisted of 8 Trustees. There is one full time member of staff, the Executive Director, who is currently covering Operations and Business Development. The Executive Director is supported by several consultants, pro bono partners, and volunteers.

### Governance

The Board of Directors and Trustees have the responsibility for all governance, policy, strategy and financial matters. Appointment of new trustees is at the discretion of the existing Board of trustees.

The Board of Directors held 4 Trustee Meetings during the period 1 January — 31 December 2018. An annual general meeting was not convened during the period.

The Board includes Trustees with experience in not for profit management, financial and accountancy, medicine, global business, technology and fundraising. The normal term of office is two years before review. The Charity's Constitution dictates that only two Trustees may be appointed in any one year with term of office reviewable every two years from the anniversary date.

The Charity seeks to recruit based on relevant skills and expertise. Proposed members are expected to already possess experience in a range of areas which are of relevance to the activities and priorities of the charity. References are requested as a matter of routine and a conflict of interest register is maintained.

At the beginning of the year the Board asked Dr Mike Thompson, one of its members, to conduct a governance review and skills audit. All Board members contributed and concluded that they were very happy with the work of the Chair and agreed that the Board needed strengthening. The proposal was to seek an additional Trustee to enhance fundraising and recruit another qualified doctor to its membership. In addition, the gender balance of the Board needed to be improved. This will be addressed during the early part of 2019.

### Management

The Executive Director has been responsible for the overall management and co-ordination of the Virtual Doctors activities during the period (assisted on occasions by several honorary consultants). He has acted as advisor to the Board and implemented decisions taken by Trustees. The 2016-18 three-year strategy document and business plan has been a guiding operational practice. This is due to be reviewed imminently to bring in line with emergent strategy. A Theory of Change document has been prepared and the final version is due to be signed off at the first meeting in 2019.

### Financial Management

The Executive Director has been responsible for the management of the Virtual Doctors financial and administrative procedures during the period in close consultation with Honorary Treasurer and other Board members.

### Risk Management

The charity Trustees have considered the major risks to which the charity is exposed and have established systems and procedures to manage those risks. Regular assessments are undertaken to ensure sufficient funds are available to cover the unexpected variance of income and expenditure. The Trustees had previously identified the need for internal controls and are satisfied that appropriate authorisations have been put in place.

The trustees have a risk management strategy which comprises:

- a regular review of the risks the charity may face
- the establishment of systems and procedures to mitigate these risks in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The risk areas identified are monitored at an appropriate level of responsibility by the Trustees.

### Policy on Reserves

As at 31 December 2018 the charity's free reserves are £115,378. The Reserves Policy currently recommends to hold free reserves greater than 26 weeks but less than 52 weeks of operation. This policy will be reviewed at regular intervals to ensure it is adequate and may be increased in the future if the Trustees deem appropriate.

## Message from the Chair – Ian Kerr




This year we have significantly increased our case numbers, recording a total of just over 1,800 cases in 2018, and were fast approaching our 2,500<sup>th</sup> case as the year came to a close. We have recruited many more volunteer doctors, covering over 20 medical specialties to respond to the increased volume in cases. We receive highly positive feedback from the Clinical Officers in Zambia, and in more than 90% of cases, the advice provided by the volunteer doctors was deemed to have improved patients' symptoms and been of educational value.

We welcomed Kathy Burke as a Trustee in the middle of the year. Kathy had already been one of our volunteers and brings to the Board a valuable perspective on Monitoring and Evaluation (M&E) which we are putting to considerable use. She has helped to develop a new Theory of Change document for the Virtual Doctors. Another trustee, Dr Mike Thompson led a governance review with the findings as reported under the Governance section above.

After a few months' delay due to some technical problems, we launched our much-awaited service trial in Malawi. We have commenced with six clinics in rural areas in and around the capital, Lilongwe. Our Zambian team carried out the training of the COs in Malawi and they are enthusiastic users of the App.

I would like to take this opportunity to thank our great team of staff and volunteers and extend gratitude to all our donors and funders, without whose support, we could not do what we do.

  
Ian Kerr

## Activities and key achievements in 2018

Case numbers increased dramatically in 2018, up by over 400% on the previous year. By the end of the year we have extended to more than 75 sites in Zambia, into new provinces and reaching a catchment area of over one million patients. Feedback from the Clinical Officers demonstrates their appreciation of the service for its benefits to their patients, but importantly also in terms of what they are learning from their exchanges with volunteer doctors, as well as our educational podcasts and online forum. Podcasts in 2018 covered a wide range of topics, including pregnancy-related issues, respiratory complications, heart failure and dermatological complaints. Here below a selection of verbatim quotes from some of our very positive COs in response to medical advice and the podcasts:

- *Akendewina*: "So thankful for the in-depth knowledge which is very educational"
- *Harrison Mbao*: "Thanks for making me understand hypertension."
- *Bernard Hanamwanza*: "this was very helpful and educative in a lot of aspects"

Our attempts to build a community of COs have been successful, with regular and well-subscribed WhatsApp exchanges taking place. The Zambian team have started to publish a monthly newsletter with a 'league table' of top CO performers, which has sparked some friendly rivalry.

We secured use of the Zambian Ministry of Health vehicles to assist with the retrieval and delivery of devices that require repair and technical improvement. This facilitates our efforts to maximise usage of the service and is particularly useful for accessing our more remote sites.

With the backing of the Malawi government and the support of the country's leading mobile provider, we launched our service in Malawi at the end of 2018. Starting with 6 clinics in and around Lilongwe, we are optimistic for this latest expansion.



"A distressing case with a happy outcome. A one-month old baby boy was brought to Kalomo hospital with a history of burns. The grass thatched house he was sleeping in caught fire. The mother noticed the house was on fire as she walked back from drawing water. She quickly poured water on the door and entered the house, picking up the baby and took him to the local clinic. They struggled to put an intravenous line into the baby and called an ambulance which brought the baby to Kalomo hospital 6 hours after the baby was burnt. The CO Akende managed to obtain intravenous access and started to give the baby fluids to resuscitate him. Initially 600ml ringers' lactate, half in first 8 hours and then half over 16hours whilst adding 500ml 5% dextrose maintenance fluid (the amount needed over 24hours to keep normally hydrated) and giving antibiotics penicillin and metronidazole. Akende asked for help from the burn's specialist volunteer. Photos were included of the baby. Wet soaks were put on the burns. On examination the baby was irritable but breastfeeding eagerly. Lungs were clear, he had a fast heart rate. Estimated burns to be 47%. The Burns specialist reply was: This is an emergency. This baby needs to go to a tertiary burn unit immediately, do not delay. This is a serious burn and the child's life is potentially at risk. Her airway is at risk and she is severely burnt. She may need chest escharotomies of her chest if her ventilation is affected. She needs to be assessed by an anesthetist and probably intubated. You need to monitor the urine output and catheterise. She will need surgery to excise the burns.... It really is complicated and not suitable for a non specialist setting. Cover her with cling film, make sure she keeps warm. Resuscitate her appropriately with fluids. The baby survived the initial trauma and was transferred to Livingstone Hospital."

On the administrative front 2018 we were challenged by the introduction of the new rules around GDPR, which was logistically complicated exercise but necessary. The protection of all data handled by the organisation, both through our service and through the support of staff, volunteers, individuals and organisational donors is paramount. All processes were reviewed to ensure that they are aligned with the new regulations and new practises have been implemented. As a result, the Trustees approved a new Data Protection Policy that sits alongside the library of other guiding policies and procedures. These will be regularly reviewed.

### **Raising awareness and funds**

Our general e-newsletter circulation was reduced after the GDPR deadline, and we continue to work hard to rebuild this. These newsletters are well received, with substantial numbers being opened and many readers clicking through on the various links. We reprised our COs' photo competition for the Virtual Doctors Christmas card, which produced a particularly attractive and individual image for the charity and reinforced the community feel for COs across Zambia.

We are continuing with our digital strategy to raise our profile through social networking channels and our Facebook audience is showing growth. We started reposting and re-tweeting articles, extracted from a usefully compiled regular media digest by one of our active volunteers, which is helping to establish and enhance our presence on technological, medical and African social media platforms and improve our own learning too.

Raising funds in the UK continues to be challenging with our limited resourcing. Funding comes through the generosity of traditional institutions such as Trusts and Foundations, special interest groups, challenge events, via businesses and the community. Several of our donors are repeat givers and we are so grateful for this loyalty. Pledges enable us to plan ahead. Our fundraising strategy continues to make provision for ongoing applications to potential new funders. We have seen a slight increase in the number of regular givers and through creative community fundraising initiatives.

We launched a twinning programme in late 2018. By raising £1000 a UK surgery can twin with one of the clinics in Zambia that uses the Virtual Doctors service. By the end of the year we had 3 surgeries signed up with a further two interested. We are hoping to further roll out this initiative in 2019.

An event was held in Zambia in the summer to raise awareness of our work and the small team in Zambia are seeking funding in-country and this will continue throughout 2019.

### **Staffing and Support**

Tyrell Junius, our Zambia In-Country Project Manager resigned to pursue international study overseas and was replaced by Shakerrie Allmond, who subsequently became one of our Zambian trustees, overseeing much of the daily activity of the Virtual Doctors Lusaka office. Consider Mudenda was appointed as Project Manager in Zambia. In the UK, Lina Woehrling, the Executive Business Assistant in the UK, went on maternity leave in September and her role is being temporarily fulfilled by Jo Nolan, who has done some volunteering for us in the past. Nicola McCahill was appointed as a Volunteer part-time Operations Manager, overseeing the Zambian and nascent Malawi team working closely with our Executive Director. At the close of the year, our long-serving volunteer Medical Director, Fran Fieldhouse, stepped down. Dr Simon Gazeley, one of our active volunteer doctors, agreed to take on the role and is fast becoming a highly valued team member!

We ended the year with 100 volunteer doctors on our register. This group is recruited, co-ordinated and supported by our volunteer Medical Director, and their tireless dedication and supportive ethos is central to our service. Thanks, must also go to our other closely involved volunteers who all continue to help by raising awareness, providing expertise, technical advice and/or administrative input.



## Expansion Phase

2018 was a year of significant expansion in Zambia. We almost doubled the number of users of our service from 40 to 75 by the close of the year. This included two new districts, Rufunsa and Chirundu, and expansion into Zambia's Central Province. Our case numbers also grew commensurately.

Some technical challenges delayed our expected launch in early 2018 into Malawi, but by later in the year these had been overcome and we launched the service in 6 clinics in and around Lilongwe. We expect this number to increase in the course of 2019. A second feasibility study was undertaken which concluded that there was scope and opportunity to extend our service into that country and this was something that the Trustees favoured if the trial is successful.

## Financial review

Our generated income increased over the 2017 figure of £175,829 to finish the year with a figure of £196,333, £79,124 of this was restricted funds for expansion, training and other designated purposes. Expenditure increased to £188,680 from the 2017 figure of £161,437. This was planned and reflects additional activity. Some expenditure cut back had to be put in place in the autumn to keep pace with variances against the original budget and although the Malawi Appeal was successful in financial terms, there was a delay introducing the Malawi pilot for logistical reasons beyond our control.

In 2018, as in previous years, the charity has benefitted from the exceptional generosity of a handful of core funders who share the vision of what can be done with the Virtual Doctors service. This includes three donors (who wish to remain anonymous) who, once again, contributed significantly to our UK core costs and fundraising consultancy services. This allows donors to give with confidence that their gifts will enable the direct objects of the charity.

The pro bono support we receive is inspiring and enables cost savings. We extend our gratitude once again to the three volunteers who continued to work on our software development enabled through the Landmark Information group CSR programme and to Skadden, Arps, Slate, Meagher & Flom LLP and Arnold & Porter Kaye Scholer LLP for their pro bono legal assistance.

At the end of the year free reserves carried forward at £115,378.

## Plans for 2019

Our priorities

Over the next 12 months the organisation will continue to work towards achieving and delivering on six key priorities which are the focus for the three-year strategy that ends at the close of this year: -

- Develop, improve and evaluate our service model and associated software
- Raise funds, protect donations and spend wisely
- Expand our reach into new geographic areas for greater impact
- Strengthen our organisational structure & ongoing governance
- Continually improve and enhance our stakeholder experience
- Raise the profile of Virtual Doctors and strengthen our brand

We will continually measure and monitor our impact so that we can convey outcomes succinctly and in a meaningful way and we will use key performance indicators to ensure we remain on track to achieve our plans.

During the early part of 2019, we will finalise our Theory of Change Document and the Trustees will undertake to review both the organisation, its direction and strategy in the face of many potential opportunities and calls for the service from around the world. We will build on our planned Monitoring and Evaluation study and use the findings to develop and improve the service and share the impact that our service makes and to continually plan and refine the service in line with the strategy whilst making it available to as many Clinical Officers and their patients as practicably possible.

Operationally we will make every effort to expand our service within the capability of our resourcing. Plans include the evaluation of our Malawi pilot and expansion (if found feasible), building on our service across Zambia in line with our agreed Memorandum of Understanding with the Zambian Ministry of Health and the scoping of the service in Kenya, with the support of a local partner (exploratory discussions already commenced).

We will continue to support and develop the capacity of the Clinical Officers by reviewing and refining our educational element of the service and hope to continue to offer podcasts, encourage dialogue and continue to incorporate timely and appropriate educational material. We will identify topics for this material by considering the types of cases commonly referred and the feedback of the users to ensure that the material is relevant and up to date.

We will continue to develop our volunteer programme with a particular emphasis on recruiting volunteer doctors who have relevant specialties and experience in order to meet the demands of growing case numbers and the Trustees hope to bring in other specialists in a volunteer capacity to help with the organisational operation including the appointment of another Medical Trustee.

Following the introduction in 2018 of General Data Protection Regulations, we will remain vigilant to ensure we are fully compliant with the new standards and ensure we continue to protect sensitive information of our staff, patients and review our Data Protection policy along with other routine reviews of our full policy library.

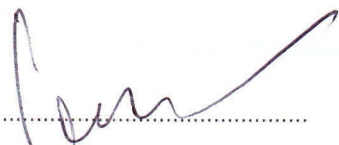
### Acknowledgements

The Trustees would like to thank the private individuals, Trusts, Foundations, institutions, schools, Rotary Clubs, church groups and other organisations who have pledged/donated funds to help us continue to develop the work of the Virtual Doctors. We would also like to thank those organisations and individuals who have offered their skills and expertise on a pro bono basis and acknowledge here, the efforts of our contractors and advisers. Their professionalism, drive and determination have been, and continue to be, so gratefully received.

Last, but not least, special thanks go to our Volunteers whose unfailing commitment and dedication within their various areas of specialisms have helped Virtual Doctors deliver a high standard of service; keep abreast of technology and raise awareness and win resources. Building on the momentum and enthusiasm gained over the last year has, once again, shown that working together with professionals both in the UK and in Zambia, in businesses, local communities, medical professionals, volunteers and our own stakeholders has enabled us to create a strong and supportive team. As more Clinical Officers learn from the offered advice and we continue to demonstrate that our service is improving health, we will work closely with authorities in sub Saharan countries to encourage them to embed telemedicine into their health services and share our expertise to help them do so.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 18 JUNE 2019 and signed on its behalf by:



I H A Kerr - Trustee

ON BEHALF OF THE BOARD.



## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE VIRTUAL DOCTORS

### Independent examiner's report to the trustees of The Virtual Doctors ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st December 2018.

### Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

Annette Watson

Annette Watson PhD BSc FCA  
Parkers  
Cornelius House  
178-180 Church Road  
Hove  
East Sussex  
BN3 2DJ

Date: 2nd July 2019

**THE VIRTUAL DOCTORS**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31ST DECEMBER 2018**

	Notes	Unrestrict ed fund £	Restricted funds £	2018 Total funds £	2017 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		117,184	79,124	196,308	175,769
Investment income	2	<u>25</u>	<u>-</u>	<u>25</u>	<u>60</u>
<b>Total</b>		<b>117,209</b>	<b>79,124</b>	<b>196,333</b>	<b>175,829</b>
<b>EXPENDITURE ON</b>					
Raising funds		31,798	11,813	43,611	16,097
Charitable activities the Virtual Doctors Service		<u>92,981</u>	<u>52,088</u>	<u>145,069</u>	<u>145,340</u>
<b>Total</b>		<b>124,779</b>	<b>63,901</b>	<b>188,680</b>	<b>161,437</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(7,570)</b>	<b>15,223</b>	<b>7,653</b>	<b>14,392</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>129,799</u>	<u>5,998</u>	<u>135,797</u>	<u>121,405</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>122,229</u></b>	<b><u>21,221</u></b>	<b><u>143,450</u></b>	<b><u>135,797</u></b>



**THE VIRTUAL DOCTORS**

**BALANCE SHEET  
AT 31ST DECEMBER 2018**

	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Tangible assets	7	6,851	3,290
<b>CURRENT ASSETS</b>			
Cash at bank		138,468	135,092
<b>CREDITORS</b>			
Amounts falling due within one year	8	(1,869)	(2,585)
<b>NET CURRENT ASSETS</b>		<u>136,599</u>	<u>132,507</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>143,450</u>	<u>135,797</u>
<b>NET ASSETS</b>		<u>143,450</u>	<u>135,797</u>
<b>FUNDS</b>	10		
Unrestricted funds		122,229	129,799
Restricted funds		<u>21,221</u>	<u>5,998</u>
<b>TOTAL FUNDS</b>		<u>143,450</u>	<u>135,797</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2018.

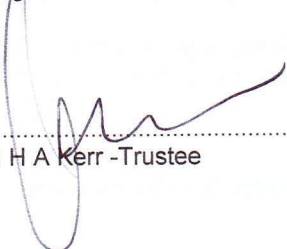
The members have not required the company to obtain an audit of its financial statements for the year ended 31st December 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to charitable small companies.

The financial statements were approved by the Board of Trustees on 18 JUNE 2019 and were signed on its behalf by:

  
.....  
I H A Kerr -Trustee

## THE VIRTUAL DOCTORS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2018

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of Section 33 Related Party Disclosure paragraph 33.7.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment	- 33% on cost
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##### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.



# THE VIRTUAL DOCTORS

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31ST DECEMBER 2018

### 1. ACCOUNTING POLICIES - continued

#### Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

### 2. INVESTMENT INCOME

	2018	2017
	£	£
Deposit account interest	<u>25</u>	<u>60</u>

### 3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation - owned assets	4,757	2,920
Other operating leases	<u>7,184</u>	<u>7,403</u>

### 4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2018 nor for the year ended 31st December 2017.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2018 nor for the year ended 31st December 2017.

### 5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	2018	2017
Fundraising	1	1
Project	<u>1</u>	<u>1</u>
	<u>2</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

THE VIRTUAL DOCTORS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2018

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	154,974	20,795	175,769
Investment income	60	-	60
<b>Total</b>	<b>155,034</b>	<b>20,795</b>	<b>175,829</b>
<b>EXPENDITURE ON</b>			
Raising funds	16,096	1	16,097
	Unrestricted fund £	Restricted funds £	Total funds £
<b>Charitable activities</b>			
the Virtual Doctors Service	128,087	17,253	145,340
<b>Total</b>	<b>144,183</b>	<b>17,254</b>	<b>161,437</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>10,851</b>	<b>3,541</b>	<b>14,392</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	118,948	2,457	121,405
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>129,799</b>	<b>5,998</b>	<b>135,797</b>



**THE VIRTUAL DOCTORS**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2018**

**7. TANGIBLE FIXED ASSETS**

	Computer equipment £
<b>COST</b>	
At 1st January 2018	20,130
Additions	<u>8,318</u>
At 31st December 2018	<u>28,448</u>
 <b>DEPRECIATION</b>	
At 1st January 2018	16,840
Charge for year	<u>4,757</u>
At 31st December 2018	<u>21,597</u>
 <b>NET BOOK VALUE</b>	
At 31st December 2018	<u>6,851</u>
At 31st December 2017	<u>3,290</u>

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2018 £	2017 £
Trade creditors	45	231
Social security and other taxes	691	1,354
Accrued expenses	<u>1,133</u>	<u>1,000</u>
	<u>1,869</u>	<u>2,585</u>

THE VIRTUAL DOCTORS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2018

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted funds	2018 Total funds	2017 Total funds
	£	£	£	£
Fixed assets	6,851	-	6,851	3,290
Current assets	117,247	21,221	138,468	135,092
Current liabilities	(1,869)	-	(1,869)	(2,585)
	<u>122,229</u>	<u>21,221</u>	<u>143,450</u>	<u>135,797</u>

10. MOVEMENT IN FUNDS

	At 1/1/18 £	Net movement in funds £	At 31/12/18 £
<b>Unrestricted funds</b>			
General fund	129,799	(7,570)	122,229
<b>Restricted funds</b>			
Telemedicine System Fund	1,228	(1,228)	-
Zambia Expansion Fund	-	4,000	4,000
Malawi Pilot Fund	4,770	5,930	10,700
Fundraising Consultancy Fund	-	6,521	6,521
	<u>5,998</u>	<u>15,223</u>	<u>21,221</u>
<b>TOTAL FUNDS</b>	<u>135,797</u>	<u>7,653</u>	<u>143,450</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	117,209	(124,779)	(7,570)
<b>Restricted funds</b>			
Expansion & Training Fund	5,000	(5,000)	-
Zambia Expansion Fund	4,000	-	4,000
Malawi Pilot Fund	51,790	(45,860)	5,930
Fundraising Consultancy Fund	18,334	(11,813)	6,521
Telemedicine System Fund	-	(1,228)	(1,228)
	<u>79,124</u>	<u>(63,901)</u>	<u>15,223</u>
<b>TOTAL FUNDS</b>	<u>196,333</u>	<u>(188,680)</u>	<u>7,653</u>



THE VIRTUAL DOCTORS

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31ST DECEMBER 2018

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/17 £	Net movement in funds £	At 31/12/17 £
<b>Unrestricted Funds</b>			
General fund	118,948	10,851	129,799
<b>Restricted Funds</b>			
Telemedicine System Fund	2,457	(1,229)	1,228
Malawi Pilot Fund	-	4,770	4,770
	2,457	3,541	5,998
<b>TOTAL FUNDS</b>	<u>121,405</u>	<u>14,392</u>	<u>135,797</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	155,034	(144,183)	10,851
<b>Restricted funds</b>			
Telemedicine System Fund	-	(1,229)	(1,229)
Fundraising consultancy fund	8,000	(8,000)	-
Zambia Expansion Fund	5,000	(5,000)	-
Malawi Pilot Fund	7,795	(3,025)	4,770
	20,795	(17,254)	3,541
<b>TOTAL FUNDS</b>	<u>175,829</u>	<u>(161,437)</u>	<u>14,392</u>

# THE VIRTUAL DOCTORS

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31ST DECEMBER 2018

### 10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/17 £	Net movement in funds £	At 31/12/18 £
<b>Unrestricted funds</b>			
General fund	118,948	3,281	122,229
<b>Restricted funds</b>			
Telemedicine System Fund	2,457	(2,457)	-
Zambia Expansion Fund	-	4,000	4,000
Malawi Pilot Fund	-	10,700	10,700
Fundraising Consultancy Fund	-	6,521	6,521
	<u>2,457</u>	<u>18,764</u>	<u>21,221</u>
<b>TOTAL FUNDS</b>	<u>121,405</u>	<u>22,045</u>	<u>143,450</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	272,243	(268,962)	3,281
<b>Restricted funds</b>			
Expansion & Training Fund	5,000	(5,000)	-
Fundraising consultancy fund	26,334	(19,813)	6,521
Zambia Expansion Fund	9,000	(5,000)	4,000
Malawi Pilot Fund	59,585	(48,885)	10,700
Telemedicine System Fund	-	(2,457)	(2,457)
	<u>99,919</u>	<u>(81,155)</u>	<u>18,764</u>
<b>TOTAL FUNDS</b>	<u>372,162</u>	<u>(350,117)</u>	<u>22,045</u>

The Telemedicine Systems Fund is a result of a donation to fund the development of a bespoke telemedicine system for the charity in 2017.

The Zambia fund is a result of a donation for setting up five clinics in Central Province of Zambia which is part of the Zambian Expansion plan.

The Malawi Fund is a result of donations made to the Malawi appeal to set up the pilot in Malawi.

### 11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2018.