

REGISTERED COMPANY NUMBER: 05818995 (England and Wales)
REGISTERED CHARITY NUMBER: 1114559

**Report of the Trustees and
Unaudited Financial Statements for the Year Ended
31 December 2018
for**

Midland Doctors Association UK

HSKS Greenhalgh
Chartered Accountants
18 St Christopher's Way
Pride Park
Derby
DE24 8JY

Midland Doctors Association UK

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for the Year Ended 31 December 2018**

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Midland Doctors Association UK

Report of the Trustees for the Year Ended 31 December 2018

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 31 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 Report of the Trustees also comprises a Directors' Report as required by company law.

OBJECTIVES AND ACTIVITIES

Policies and objectives

The charity's short-term goals are:

- To facilitate the activities of the Midland Doctors Medical Institute in Muzaffarabad, Pakistan.
To facilitate to continue supporting Nur Goth, a village consisting of 100 houses which is located in
- Sindh Province, Pakistan.
- To support a number of post-graduate students at the Light House School in Rawalpindi, Pakistan.

The charity's long-term goals are:

- To consider the regional impact of humanitarian healthcare work in Pakistan and in particular the Kashmir region.
- To consider working in partnership with other agencies to deliver humanitarian care, such as in
- Malawi.

The short-term goals are related to humanitarian medical relief work, which is also the vision and mission of Midland Doctors Association.

The longer-term goal is a continuation of this theme and therefore, there's a relationship between the charity's short-term and long-term goals.

Activities for achieving objectives

The concept behind Midland Doctors Association UK originated when a team of senior National Health Service doctors flew to Pakistan to provide medical assistance in the wake of the powerful earthquake which struck northern Pakistan on 8 October 2005, killing over 87,000 and displacing over 3.5 million people.

Having witnessed at first hand the suffering of the local people and the destruction of their medical facilities, the doctors were inspired to establish this charity whose principal aims were to purchase, equip and operate a hospital facility in the Kashmir region of Pakistan, and to raise public awareness of health issues affecting people in developing countries.

The charity has successfully achieved its initial objectives and aims, and it currently is heavily involved in the day to day running and administration of projects already completed in Pakistan.

The charity holds sufficient financial assets to meet its liabilities for the proceeding twelve months, which enables it to carry out its activities without any hindrance.

This is a measure of the charity's success and a benchmark that it has always kept.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our objectives and also in planning our future objectives. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Volunteers

The trustees wish to express their heartfelt gratitude to all the individuals and organisations who have donated their time, money and services to the charity. Without the active support of these volunteers it would be impossible to realise the achievement of the vision shared by the trustees.

Midland Doctors Association UK

Report of the Trustees for the Year Ended 31 December 2018

ACHIEVEMENT AND PERFORMANCE

Charitable activities

As previously reported, the charity completed the construction of a hospital, now known as Midland Doctors Medical Institute, in Tendali District, Muzaffarabad, Kashmir, Pakistan in March 2013. The total cost of the hospital as at 31 December 2018 amounted to £1,956,765, which included £797 incurred in the year under review as part of the ongoing improvement and development of hospital facilities. The Nur Goth Village project, which was completed in 2013, is constantly monitored to ensure that full benefit continues to accrue to the poorest families who occupy the 100 houses constructed under the project. Ongoing maintenance costs are minimal.

During the year the charitable company has received donated goods and services in furtherance of its operational activities and objectives. However, the economic benefit of such donated goods and services has not been recognised in these financial statements as it cannot be measured reliably.

Fundraising activities

Midland Doctors Association UK has a large network cluster, working with fundraisers, with whom trustees have worked tirelessly, both nationally and internationally. Through these networked contacts, funds were donated during the year to 31 December 2018. In addition, fundraising and sponsorship events were also organised during the year, whereby monies were raised from individuals and local companies, with the costs of generating voluntary income being covered largely by sponsorship. As such costs have increased considerably in the current year and are expected to do so in further years. It remains the Trustees' intention to cover any such costs through further sponsorship and gift aid refunds. The remainder of the donations came directly from other benefactors and institutions.

Key performance indicators

The strategy of Midland Doctors Medical Institute has been to adhere to the key guidelines as allocated by the General Medical Council UK (GMCUK) in particular, the role of a doctor. The facilities are also incorporating international guidelines such as the World Health Organization's guidelines for theatre and surgical departments. The evaluation of Key Performance Indicators would be beyond the scope of this financial document.

Significant positive and negative factors affecting achievement of objectives

Firstly, the Midland Doctors Medical Institute utilizes the majority of the charity's resources, as its main objective as an organization is to support MDMI. The other two short term objectives do not take up significant resources. In terms of positive effects, the charity's capabilities have expanded over the past twelve months; we are providing more services and we are providing care that is not available in many parts of the Kashmir region of Pakistan. In fact, our Nutrition Programme that aims at taking care of children with severe nutritional deficiency, does not even exist in that part of the Kashmir region of Pakistan. As the project develops, the negative pressures are coming to the fore. As we are becoming more popular in the region, our services are more well known and people are linking us to better quality of medical care. This then drives demand but then the shortcoming is that we don't have endless supply of resources. In view of the issue of financial constraints, and in particular as fundraising is a key aspect of the source of funds, we have to always consider the implications of our services on our financial resources.

Another negative factor is that we need to consider fundraising as ongoing activity, therefore as an organisation we have considered ways and means of diversification so that the risks of not being able to achieve our funds through fundraising are diversified. We have undertaken this by:

1. Opening up a head quarters in Dubai, United Arab Emirates with the aim of enhancing the capability to achieve fundraising from Dubai, which we have already started to achieve.

2. We have started to diversify by expanding into other areas of fundraising, for example, we have recently approached the Angus Lawson Memorial Trust, we are also being supported by Mac Bevan Charitable Trust as well. It is hoped that such charitable trusts, will expand their involvement in the Midland Doctors Medical Institute programme and therefore help us diversify our sources of income.

Midland Doctors Association UK

Report of the Trustees for the Year Ended 31 December 2018

FINANCIAL REVIEW

Financial position

For the year 1st January 2018 to 31 December 2018, the in-year surplus figure is £134,984 increasing the surplus position to £2,880,926.

Principal funding sources

The principal fundraising is made from the international network resources that have been built since formation of the charity. The Midland Doctors Association UK work is continually being promoted worldwide and the Trustees are constantly working with the network to ensure the fundraising continues successfully. The Trustees consider the results for the year to be satisfactory and the charity continues to remain in an extremely strong financial position.

Reserves policy

The reserves are held to meet ongoing requirements to run the hospital, and are being assisted through continued fundraising.

We can confirm as an organisation that there are no events that occurred in the last twelve months that affected our ability to deliver the services as outlined above.

FUTURE PLANS

The charity will continue to raise further funds to meet the ongoing operational costs of the hospital, and further capital expenditure will be made to enlarge the hospital facility with the passage of time and needs of the local population.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The company, incorporated under the Companies Act 1985 and 1989, is limited by guarantee and does not have a share capital. Its registered number is 5818995, and the company is also registered as a charity under the Charities Act 1993, number 1114559.

Recruitment and appointment of new trustees

The Board of Trustees consists of eleven members as at 31 December 2018.

The company's Articles of Association allow for Trustees to serve for a three year term. Trustees must retire at the annual general meeting following their completion of three years' service, but may stand for re-election.

The Board has the power at any time, and from time to time, to appoint any person to be a Trustee, either to fill a casual vacancy or as an addition to the existing Trustees. Any Trustee appointed holds office only until the next following annual general meeting, and then becomes eligible for re-election.

Trustees are elected to the board in accordance with a voting system outlined in the charity's constitutional document. The responsibilities of trustees are allocated according to their skills, abilities and areas of interest.

Induction of new Trustees is given on an individual basis where appropriate.

Organisational structure

The Board of Trustees are responsible for administering the charity.

The finances of the charity are kept under review at Trustees meetings.

Related parties

All donated medical equipment is stored at the premises of M Najib & Sons Limited, a company in which a trustee, Mr Ajaz Najib, is a director. The transaction occurs at arms length, as members of staff at M Najib & Sons Limited donate their charitable time to load the equipment, in order to transport it over to Pakistan.

Midland Doctors Association UK

Report of the Trustees for the Year Ended 31 December 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees are aware of and continue to monitor any significant risks facing the charity and have put policies and controls in place to minimise or mitigate those risks. The Trustees are aware that the risks faced by the charity will evolve with the charity's activities and the trustees will ensure that their risk strategy reflects these changes.

The Trustees acknowledge their responsibilities in relation to the charity's financial statements and accounting records.

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees (Directors)	Dr S Y Iftikhar Dr J Ahmed Dr A Rashid Dr K Latief S Hussain Dr Z Sheikh A A Najib Dr I Ali R U Amin T Kent-Chapman M Altaf - appointed on 15/05/2018
Key Management Personnel	Dr S Y Iftikhar
Company Name	Midland Doctors Association UK
Registered Office	11 Snelston Crescent Littleover Derby DE23 6BL
Company Secretary	Dr A Rashid
Accounting Officer	T Kent-Chapman
Registered Company Number	05818995 (England and Wales)
Registered Charity Number	1114559
Independent Examiners	HSKS Greenhalgh Chartered Accountants 18 St Christopher's Way Pride Park Derby DE24 8JY
Bankers	HSBC UK Bank Plc 1 St. Peter's Street Derby DE1 2AE MCB Islamic Bank Ltd MCB Tower I.I. Chundrigar Road 74000 Karachi Pakistan

Freehold property

The land purchased in Tendali, District Muzaffarabad, Pakistan is held in the name of Dr Javed Ahmed, a trustee of the charity, as it was not possible for the land to be purchased in the name of the charity directly.

Midland Doctors Association UK

**Report of the Trustees
for the Year Ended 31 December 2018**

REFERENCE AND ADMINISTRATIVE DETAILS

FUNDS HELD AS CUSTODIAN FOR OTHERS

The charity holds no funds on behalf of others.

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 10 September 2019 and signed on its behalf by:



Dr S Y Iftikhar - Trustee

**Independent Examiner's Report to the Trustees of
Midland Doctors Association UK**

Independent examiner's report to the trustees of Midland Doctors Association UK ('the Company')

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

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies

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



Philip A Handley FCA
Institute of Chartered Accountants in England and Wales
HSKS Greenhalgh
Chartered Accountants
18 St Christopher's Way
Pride Park
Derby
DE24 8JY

Date: 10th September 2019

Midland Doctors Association UK

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 December 2018

	Notes	Unrestricted fund £	Restricted fund £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	502,182	-	502,182	393,607
Other trading activities	3	437	-	437	-
Investment income	4	111	-	111	48
Total		502,730	-	502,730	393,655
EXPENDITURE ON					
Raising funds	5	30,597	-	30,597	26,732
Charitable activities	6				
Hospital expenditure		324,735	-	324,735	306,428
Village expenditure		6,000	-	6,000	-
Dubai office costs		3,874	-	3,874	-
Malawi Project		1,200	-	1,200	-
Other		1,340	-	1,340	-
Total		367,746	-	367,746	333,160
NET INCOME		134,984	-	134,984	60,495
RECONCILIATION OF FUNDS					
Total funds brought forward		2,745,942	-	2,745,942	2,685,447
TOTAL FUNDS CARRIED FORWARD		2,880,926	-	2,880,926	2,745,942

The notes form part of these financial statements

Midland Doctors Association UK

Statement of Financial Position
At 31 December 2018

	Notes	Unrestricted fund £	Restricted fund £	2018 Total funds £	2017 Total funds £
FIXED ASSETS					
Tangible assets	13	2,361,841	-	2,361,841	2,313,691
CURRENT ASSETS					
Debtors	14	43,277	-	43,277	1,953
Cash at bank and in hand		486,278	-	486,278	434,118
		<u>529,555</u>	<u>-</u>	<u>529,555</u>	<u>436,071</u>
CREDITORS					
Amounts falling due within one year	15	(10,470)	-	(10,470)	(3,820)
NET CURRENT ASSETS		<u>519,085</u>	<u>-</u>	<u>519,085</u>	<u>432,251</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,880,926</u>	<u>-</u>	<u>2,880,926</u>	<u>2,745,942</u>
NET ASSETS		<u>2,880,926</u>	<u>-</u>	<u>2,880,926</u>	<u>2,745,942</u>
FUNDS	16				
Unrestricted funds				2,880,926	2,745,942
TOTAL FUNDS				<u>2,880,926</u>	<u>2,745,942</u>

The notes form part of these financial statements

Midland Doctors Association UK

Statement of Financial Position - continued
At 31 December 2018

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

The members have not required the company to obtain an audit of its financial statements for the year ended 31 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 provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 10 September 2019 and were signed on its behalf by:



Dr S Y Iftikhar -Trustee

Midland Doctors Association UK

Statement of Cash Flows
for the Year Ended 31 December 2018

	Notes	2018 £	2017 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>177,554</u>	<u>125,494</u>
Net cash provided by (used in) operating activities		<u>177,554</u>	<u>125,494</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(128,125)	(51,221)
Sale of tangible fixed assets		2,620	-
Interest received		<u>111</u>	<u>48</u>
Net cash provided by (used in) investing activities		<u>(125,394)</u>	<u>(51,173)</u>
Change in cash and cash equivalents in the reporting period		<u>52,160</u>	<u>74,321</u>
Cash and cash equivalents at the beginning of the reporting period		<u>434,118</u>	<u>359,797</u>
Cash and cash equivalents at the end of the reporting period		<u><u>486,278</u></u>	<u><u>434,118</u></u>

The notes form part of these financial statements

Midland Doctors Association UK

Notes to the Statement of Cash Flows
for the Year Ended 31 December 2018

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net income for the reporting period (as per the statement of financial activities)	134,984	60,495
Adjustments for:		
Depreciation charges	76,314	66,221
Loss on disposal of fixed assets	1,041	-
Interest received	(111)	(48)
(Increase)/decrease in debtors	(41,324)	301
Increase/(decrease) in creditors	6,650	(1,475)
Net cash provided by (used in) operating activities	177,554	125,494

Midland Doctors Association UK

Notes to the Financial Statements for the Year Ended 31 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.

Midland Doctors Association UK is a private company, limited by guarantee, registered in England and Wales. The charitable company's registered office address is 11 Snelston Crescent, Littleover, Derby, DE23 6BL.

The charitable company's principal activity is to alleviate human suffering.

The presentation currency of the financial statements is the Pound Sterling (£).

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

Freehold property	- 2% on cost
Plant and machinery	- 10% on reducing balance
Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 10% on reducing balance
Computer equipment	- 25% on reducing balance

Taxation

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

Midland Doctors Association UK

Notes to the Financial Statements - continued for the Year Ended 31 December 2018

1. ACCOUNTING POLICIES - continued

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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange rate differences are taken into account in arriving at the operating result.

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.

Donated goods and services

Donated goods and services are recognised as income when the charitable company has control over the item, the receipt of economic benefit from the use by the charitable company of the item is probable and that economic benefit can be measured reliably.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the bank.

2. DONATIONS AND LEGACIES

	2018	2017
	£	£
Donations	472,649	365,704
Gift aid refunds	29,533	27,903
	<u>502,182</u>	<u>393,607</u>

All donations were received in furtherance of the charity's activities in accordance with its constitution and further details given in the Report of the Trustees.

Midland Doctors Association UK

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2018**

3. OTHER TRADING ACTIVITIES

	2018 £	2017 £
Patient fees	<u>437</u>	<u>-</u>

4. INVESTMENT INCOME

	2018 £	2017 £
Deposit account interest	104	48
Interest receivable - trading	<u>7</u>	<u>-</u>
	<u>111</u>	<u>48</u>

5. RAISING FUNDS

Raising donations and legacies

	2018 £	2017 £
Donations administration fees	5,809	998
Advertising, venues etc	<u>24,788</u>	<u>25,734</u>
	<u>30,597</u>	<u>26,732</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Grant funding of activities (See note 7) £	Support costs (See note 8) £	Totals £
Hospital expenditure	305,864	-	18,871	324,735
Village expenditure	6,000	-	-	6,000
Malawi Project	-	1,200	-	1,200
Dubai office costs	<u>-</u>	<u>-</u>	<u>3,874</u>	<u>3,874</u>
	<u>311,864</u>	<u>1,200</u>	<u>22,745</u>	<u>335,809</u>

7. GRANTS PAYABLE

During the year, the charity donated personal computers and medical equipment, to the value of £1,200, to another charity, to be transported to Malawi which would then be distributed amongst people in need.

Midland Doctors Association UK

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

8. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Hospital expenditure	12,408	3,497	2,966	18,871
Dubai office costs	3,874	-	-	3,874
	<u>16,282</u>	<u>3,497</u>	<u>2,966</u>	<u>22,745</u>

9. NET INCOME/(EXPENDITURE)

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

	2018	2017
	£	£
Independent examiners fees	2,940	3,000
Depreciation - owned assets	76,314	66,219
Other operating leases	564	-
Deficit on disposal of fixed asset	<u>1,041</u>	<u>-</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

The trustees have continued to incur expenses, especially travel costs, in the performance of their duties. Such expenditure is borne by the trustees personally, has not been quantified, and as no reimbursement has been sought by them, is considered to have been waived.

11. STAFF COSTS

	2018	2017
	£	£
Wages and salaries	<u>120,927</u>	<u>113,515</u>

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

	2018	2017
Medical staff	21	20
Maintenance staff	8	9
Security	4	4
Administrative staff	5	3
Other staff	2	2
	<u>40</u>	<u>38</u>

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

Midland Doctors Association UK

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

12. FOREIGN CURRENCY TRANSLATION

Realised losses on translation of foreign currencies amounted to £12,408 (2017: £7,053).

The presentation currency is the Pound Sterling (£).

The main functional currencies of the charity are the Pound Sterling (£) in the United Kingdom, and the Pakistani Rupee (Rs) for expenditure incurred in Pakistan.

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2018	2,406,229	116,578	59,824
Additions	797	115,348	11,980
Disposals	-	(6,200)	-
At 31 December 2018	2,407,026	225,726	71,804
DEPRECIATION			
At 1 January 2018	236,240	38,002	17,501
Charge for year	48,141	19,026	5,430
Eliminated on disposal	-	(2,539)	-
At 31 December 2018	284,381	54,489	22,931
NET BOOK VALUE			
At 31 December 2018	2,122,645	171,237	48,873
At 31 December 2017	2,169,989	78,576	42,323
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2018	14,697	21,945	2,619,273
Additions	-	-	128,125
Disposals	-	-	(6,200)
At 31 December 2018	14,697	21,945	2,741,198
DEPRECIATION			
At 1 January 2018	1,470	12,369	305,582
Charge for year	1,322	2,395	76,314
Eliminated on disposal	-	-	(2,539)
At 31 December 2018	2,792	14,764	379,357
NET BOOK VALUE			
At 31 December 2018	11,905	7,181	2,361,841
At 31 December 2017	13,227	9,576	2,313,691

Midland Doctors Association UK

Notes to the Financial Statements - continued for the Year Ended 31 December 2018

13. TANGIBLE FIXED ASSETS - continued

During 2006 land was purchased in Tendali, District Muzaffarabad, Pakistan by the charity in order to construct a hospital. Whilst the charity paid for this land, it is held in the name of one of the trustees (Dr Javed Ahmed) on behalf of the charity, as it was not possible for the land to be purchased in the name of the charity directly. A statutory declaration was made on 7 September 2007 confirming that the land is held on trust for the charity until such time as it is possible for it to be transferred upon attainment of the appropriate international status of the charity. The cost and net book value of the hospital project, included within freehold property, amounts to £1,956,764 (2017: £1,955,967) and £1,726,415 (2017: £1,764,753) respectively.

The Nur Goth Village project in Sindh Province, Pakistan, is a joint collaboration with Pakistan Medical Association. Although the entire project was funded by the Midland Doctors Association UK, for administrative and logistical purposes, the 8 acre site and the 100 dwellings constructed thereon, together with the infrastructure, are jointly owned between the Midland Doctors Association UK and the Pakistan Medical Association, as per an agreement dated 25th January 2012. However, all running costs of the village after completion are paid for and administered by the Pakistan Medical Association, with Midland Doctors Association UK making contributions for such expenditure. The cost and net book value of the Nur Goth Village project, included within freehold property, amounts to £450,262 (2017: £450,262) and £396,231 (2017: £405,236) respectively.

All the dwellings in Nur Goth Village are occupied in perpetuity, rent free, by the 100 designated families and their descendants. There is no right to either dispose of the dwelling or pass it to another unconnected family.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Gift aid tax refund	967	1,953
Prepayments and accrued income	42,310	-
	<u>43,277</u>	<u>1,953</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	7,077	-
Accrued expenses	3,393	3,820
	<u>10,470</u>	<u>3,820</u>

16. MOVEMENT IN FUNDS

	At 1/1/18 £	Net movement in funds £	At 31/12/18 £
Unrestricted funds			
General fund	2,745,942	134,984	2,880,926
TOTAL FUNDS	<u>2,745,942</u>	<u>134,984</u>	<u>2,880,926</u>

Midland Doctors Association UK

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	502,730	(367,746)	134,984
TOTAL FUNDS	<u>502,730</u>	<u>(367,746)</u>	<u>134,984</u>

Comparatives for movement in funds

	At 1/1/17 £	Net movement in funds £	At 31/12/17 £
Unrestricted Funds			
General fund	2,685,447	60,495	2,745,942
TOTAL FUNDS	<u>2,685,447</u>	<u>60,495</u>	<u>2,745,942</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	393,655	(333,160)	60,495
TOTAL FUNDS	<u>393,655</u>	<u>(333,160)</u>	<u>60,495</u>

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 £
Unrestricted funds			
General fund	2,685,447	195,479	2,880,926
TOTAL FUNDS	<u>2,685,447</u>	<u>195,479</u>	<u>2,880,926</u>

Midland Doctors Association UK

Notes to the Financial Statements - continued for the Year Ended 31 December 2018

16. MOVEMENT IN FUNDS - continued

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 £
Unrestricted funds			
General fund	896,385	(700,906)	195,479
TOTAL FUNDS	<u>896,385</u>	<u>(700,906)</u>	<u>195,479</u>

17. OTHER FINANCIAL COMMITMENTS

In December 2018, the charity paid €39,000 (£35,856) as a part-payment (shown as a prepayment per note 14 above) in relation to the acquisition of a tangible fixed asset, which in total will cost €78,000.

As at 31 December 2018, the charity is committed to pay the remaining €39,000 (£35,012 using the exchange rate at that date) when the tangible fixed asset is ready for delivery.

18. RELATED PARTY DISCLOSURES

The following donations were received without conditions from trustees or other related parties:

Dr Iftikhar Ali, a trustee of the charity, donated £Nil (2017: £700).

Mr Mohammed Altaf, a trustee of the charity, and his wider family donated a total of £770 since his appointment as a trustee in May 2018.

Mr Rahim Ullah Amin, a trustee of the charity, donated £600 (2017: £600).

Mr Shafqat Hussain, a trustee of the charity, donated £510 (2017: £555).

Dr Syed Yusuf Iftikhar, a trustee of the charity, donated £1,700 (2017: £4,350).

Dr Khaled Latief, a trustee of the charity, and his wider family donated £612 (2017: £1,350).

Mr Ajaz Najib, a trustee of the charity, and his wider family donated £21,240 (2017: £17,470).

Dr Asrar Rashid, a trustee of the charity, donated £510 (2017: £240).

Dr Zahid Sheikh, a trustee of the charity, and his wider family donated £4,420 (2017: £5,500).

M Najib & Sons Limited, a company in which Ajaz Najib is a director, donated £1,800 (2017: £1,800).