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HEALTH THE GAMBIA
(Company Limited by guarantee)

Report and financial statements

Year ended: 30th September 2005

Charity no: 1107983
Company no: 5180614

Part 1 - Legal and Administrative Information

Status

Health The Gambia (**HTG**) is a charitable company limited by guarantee incorporated on 15th July 2004 and registered as a charity on 7th February 2005.

Charity number: 1107983

Company number: 5180614

Governing document

HTG was established under a memorandum of association which established the objects and powers of HTG and is governed under its articles of association.

Investment powers

Under its memorandum and articles of association, HTG has the power to make any investments which are thought fit.

Directors and Trustees

The directors of HTG are trustees for the purposes of charity law and throughout this report are collectively referred to as the **Trustees**. As at 30th September 2005, there were four Trustees. In terms of the memorandum and articles of association of HTG as at incorporation (on 15th July 2004) certain of the Trustees were appointed *ex officio* by the Royal Victoria Teaching Hospital, Banjul, The Gambia (**RVTH**). This arrangement was found to be administratively unwieldy and, on 10th May 2005, the memorandum and articles of association of HTG was amended to remove this requirement. The Trustees may be appointed by an ordinary resolution of HTG. The Trustees do not have a minimum term of office.

The Trustees serving during the year and since the year end were as follows:

David Lankester (Chair)	(appointed 29 October 2004)
Matthew Williams	(trustee since incorporation)
Timothy Conduit	(trustee since incorporation)
George Fowlis	(appointed 29th October 2004)
†Pamela Esangbedo (Chief Medical Director, RVTH)	(trustee at incorporation, resigned 18 August 2004, re-appointed 30 August 2004, resigned 6th April 2005)
†Malick Njie (Deputy Chief Medical Director, RVTH)	(appointed 29 October 2004, resigned 6th April 2005)
†Geoffrey Renner (Chairman, Hospital Management Board, RVTH)	(appointed 29 October 2004, resigned 6 April 2005)

†RVTH *ex officio* trustee

Secretary

Timothy Conduit

Registered Office

The Meridian, 4 Copthall House, Station Square, Coventry CV1 2FL

Principal Office

PO Box 8576, Troon KA10 7WX

Bankers

Co-operative Bank plc
PO Box 250
Delf House
Southway
Skelmersdale WN8 6WT

Standard Chartered Bank (Gambia) Limited
Ecowas Avenue
Banjul
The Gambia

Part 2 - Report of the trustees for the year ended 30th September 2005

The Trustees are pleased to present their report together with the financial statements of HTG for the year ended 30th September 2005.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of HTG and the Statement of Recommended Practice – Accounting and Reporting by Charities.

Objects of HTG

The objects of HTG (as set out in its memorandum of association) are:

*the relief of sickness, in particular, to support the work of the Royal Victoria Teaching Hospital (the **Hospital**, which expression shall include any successor institution or organisation) in Banjul, The Gambia by:*

- 1. the provision of funding to the Hospital to support services and facilities; and*
- 2. any other charitable purposes the trustees from time to time determine.*

In consultation with RVTH, the Trustees have practically articulated the objects to provide support RVTH with service-centred and personnel-centred projects and programmes.

Service-centred projects and programmes are those focussed on the delivery of a particular service at RVTH. This could be a medical service (e.g. neonatal care, surgery) or a non-medical service (e.g. pharmacy, accounts, management and governance).

Personnel-centred projects and programmes are those focussed on the development (which may include training, recruitment, remuneration and retention) of particular members of staff or groups of staff at RVTH.

These projects and programmes are focussed on the following areas

- (a) **staff development** – HTG believes that long-term improvements to the standard of healthcare at RVTH can only take place if staff training, development and motivation is prioritised;
- (b) **provision of equipment** – RVTH is very poorly supplied with equipment; HTG is committed to supporting RVTH in the acquisition of essential medical equipment, appropriate to the healthcare context of RVTH;
- (c) **provision of expertise** – HTG is committed to working with RVTH to optimise the use of the expertise at HTG's disposal to improve healthcare at RVTH; and
- (d) **provision of supplies** – HTG recognises, pragmatically, that there are short- and long-term shortages of essential consumable supplies at RVTH. HTG is committed to working with HTG to alleviating these shortages, whether through long-term programmes or short-term assistance.

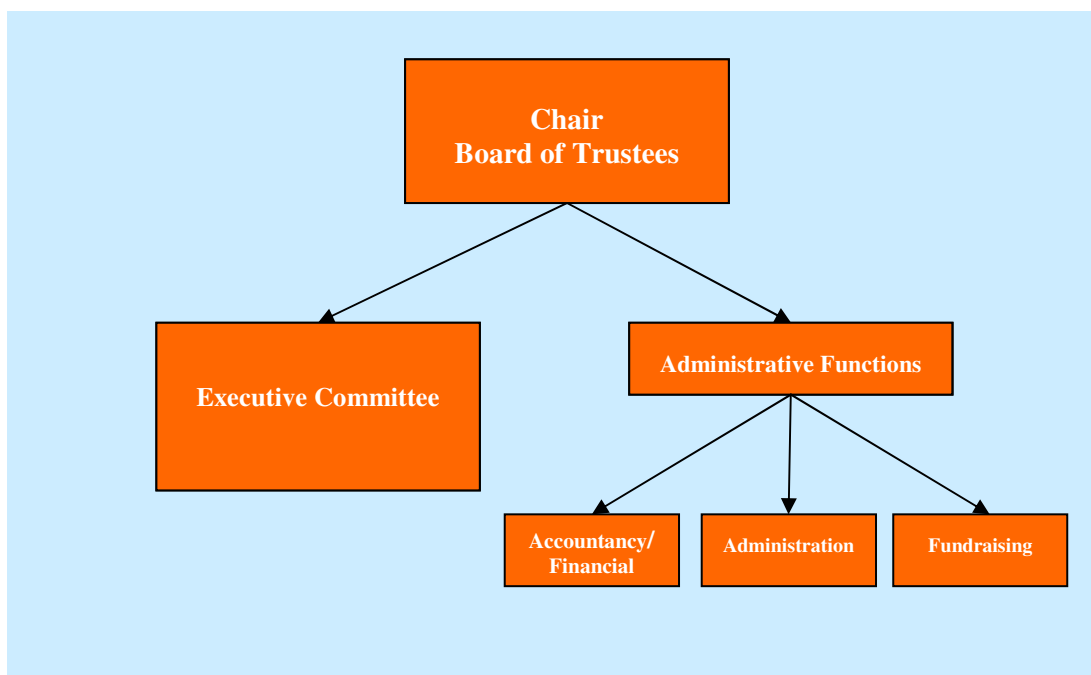
Governance, Management and Structure

Board of Trustees

Governance of HTG is the responsibility of the board of Trustees, working closely with the Executive Committee of HTG and operating within the terms of the memorandum and association of HTG. The board

of Trustees is currently composed of 4 members and meets not less than quarterly. David Lankester is the Chair of the board of Trustees.

Structure of the Charity



Executive Committee

Without affecting or derogating in any way from the Trustees' overall responsibility for the governance of HTG, the Trustees resolved on 27th June 2005 to form an Executive Committee (representing major stakeholders in HTG and including all the Trustees) to assist the Trustees in the identification of projects and proposals to undertake in furtherance of HTG's objects. The Executive Committee meets at least four times a year.

Membership of the Executive Committee includes representatives from the Royal Victoria Teaching Hospital. The members of the Executive Committee as at 30th September 2005 were:

Mike Bishop	David Lankester
Tim Conduit	James Ndow
Pamela Esangbedo (Chief Medical Director, RVTH)	Malick Njie (Deputy Chief Medical Director, RVTH)
George Fowlis	Matt Williams
Allan Rickmann	

Tim Conduit is the secretary to the Executive Committee.

Administrative functions

The secretary is responsible to the board of Trustees for the administrative functions of HTG.

Financial

The secretary is responsible for implementing financial transactions, as instructed by the board of Trustees.

The preparation of management accounts and associated functions (including, for example, the preparation of bank account reconciliations) are undertaken by Jillian Lockie, HTG's accountant. Jillian is not a signatory on HTG's bank accounts.

HTG considers that this clear division of functions, so that financial verification functions are undertaken by a separate person to those who are authorised to undertake financial transactions, provides transparency and verification of the financial management of HTG's assets and would aid in the early detection of any fraud or misappropriation.

Administration

Clive Conduit is responsible for the day-to-day administration of HTG, including the receipt and processing of donations and day-to-day communication functions of HTG.

Fundraising

Matt Williams is responsible for HTG's overall fundraising and communications functions; this includes general communication with donors through e.g. newsletters and the maintenance of HTG's website, accessible on www.healthgambia.net.

All of these administrative staff are volunteers and the board of Trustees would like to express their thanks and appreciation for the time and effort which they sacrifice for HTG.

Review of activities and future developments

HTG was formed in July 2004 with a view to supporting the delivery of healthcare at RVTH.

The Gambia

The Gambia is situated in West Africa, surrounded by Senegal (with the exception of its coastline).

Although politically stable, it has few natural resources and is one of the world's poorest countries. Compared to much of West Africa, it has few natural resources, but is relatively untouched by the conflict that has ravaged many countries in the region.

RVTH

The Royal Victoria Teaching Hospital (RVTH) is the only tertiary referral hospital in The Gambia. It became a teaching hospital in December 2002 and is the site for clinical teaching of the University of The Gambia Medical School.

There are three other state-run hospitals in The Gambia (with a very limited range of services) and a network of major and minor health centres where there is lower population density. The Gambian health service is managed by the Department of State for Health and Social Welfare.

RVTH has 576 beds and employs approximately 1000 staff. RVTH provides isolation hospital services, the country's only mental health facility and also primary care to the people of Banjul through its Polyclinic. RVTH admits approximately 20,000 in-patients per year, and sees over 200,000 outpatients. Over 50% of the in-patient admissions are paediatric patients.

RVTH is primarily funded by the Gambian Government, but suffers from severe supply and staff shortages due to the unstable nature of its government subvention. The budgeted government contribution amounts to around £800,000 per annum, but the actual yearly amount received is more like £600,000-£700,000.

HTG's relationship with RVTH

HTG wishes to reach the places in RVTH where other donors do not. To this end, HTG's policy is not to fund infrastructure projects at RVTH (this does not preclude the funding of items of equipment).

HTG wishes to fund projects (within its own policy parameters) which meet clearly defined needs at RVTH. HTG and RVTH have spent much time discussing how best to identify such projects. The development of the relationship between HTG and RVTH has resulted in the refinement of certain proposals put forward by RVTH to HTG for funding and, in some cases, the rejection of proposals by HTG as a result of their not falling within HTG's objects or policy parameters (as described in *Objects of HTG*).

As a result, as at 30th September 2005, HTG had not disbursed the amount of funding to RVTH which it had hoped to. The Trustees are working hard to ensure that RVTH, within HTG's policy parameters, enjoys the benefit of as much HTG funding as possible.

One of RVTH's major difficulties lies in the motivation and recruitment of staff. To that end, in co-operation with RVTH, HTG administers a scheme called "Friends of RVTH" (**FRVTH**), under which visitors to RVTH donate a regular amount to HTG which is segregated from HTG's other funds and which (net of an amount representing HTG's administrative expenses) is used by RVTH to fund an incentive scheme for RVTH nurses.

HTG's Activities

Within the parameters set out above in *Objects of HTG*, HTG has funded projects at RVTH, including the following:

Suction Machines: In partnership with the Tadworth and Walton Overseas Aid Trust, a long-term supporter of RVTH, HTG has supplied two suction machines to RVTH at a cost to HTG of around £700. One has gone to the paediatric department, and the other to the operating theatres. Critically-ill patients often have problems with blocked airways, and these two suction machines will help treat some of the sickest patients in the hospital.

Autoclave equipment: Hospitals can be breeding grounds for infection. As a result, all surgical instruments need to be sterilised in an autoclave. RVTH's autoclave was not working because of a faulty heating element – and spares are impossible to find in The Gambia. HTG bought and shipped the new element (the part itself cost only £35), and RVTH now has a working autoclave again. A new autoclave would have cost over £10,000.

More recently, further autoclave parts have been provided (at a cost of just over £600) which, on the advice of the manufacturer, will keep the autoclave running for another 10 years. This is a good example of timely, focussed, economically advantageous intervention, which has enabled RVTH to use its meagre resources more effectively.

Accounts Department: HTG's work does not simply focus on patients. HTG is committed to the development of **all** staff within RVTH, not simply medical staff. HTG believes that good governance, management and financial accountability is essential for the long-term development of RVTH.

HTG is supporting 2 staff in the accounts department to do their Association of Chartered Certified Accountants (**ACCA**) exams. HTG paid for their membership of ACCA, and also for them to attend night-school.

HTG has also funded basic training for 10 members of the accounts department – RVTH knows that, to gain the confidence of donors and supporters, as well as to ensure that its resources reach where they are needed, it has to ensure that financial management at all levels is transparent. The basic training lasted for a week

and was run by a local Gambian training provider, so the money went straight back into the local economy for 10 people at a total cost of less than £30 per person.

Flight costs for Nurse Training: HTG contributed £350 to the flight costs of two RVTH nurses to attend a Keymed course in the UK. This course related to the care and use of endoscopic equipment used in RVTH theatres during regular visits to RVTH by British urological surgeons (operating through an organisation called UROLINK), during which patients, who could not otherwise afford treatment, are operated on. The feedback on the course was positive and it is hoped that the expertise gained will enhance the benefit of the next UROLINK visit, scheduled for March/April 2006.

Unfortunately, one of the nurses failed to return to The Gambia once the course was completed, which had a negative impact on the benefit from the courses. HTG's future focus for RVTH-related training is for it to be completed in the West African sub-region or in The Gambia itself.

Fundraising Activities

The fundraising activities of HTG have to date been principally organic, based on the contacts of the Trustees, Executive Committee members and staff of HTG.

HTG makes use of a variety of channels to donation, including www.healthgambia.net and the Charities Aid Foundation and has organised a variety of events to raise funds from individuals.

HTG also makes regular fundraising applications to corporates, mainly focussed on the medical and pharmaceutical sectors.

FRVTH funds are primarily raised directly by RVTH public relations and fundraising staff from visitors to RVTH. Visitors are invited, at the end of a tour of RVTH, to make a regular contribution to the FRVTH administered by HTG. The purpose of FRVTH funds is described in *Objects of HTG* above.

Administration Costs

As the period covered by this report represents HTG's first financial year, there have been set up administration costs (for example, relating to HTG's website) which the Trustees view as one-off costs. The Trustees would therefore expect administration costs to be a smaller proportion of income in following financial years. HTG uses conference calls to hold meetings of its Executive Committee, which incurs a significant cost. The Trustees believe, however, that such costs are justified by the level of communication and involvement which they promote between HTG and RVTH.

Future developments

Projects

HTG is currently working with RVTH to develop two major projects:

Neonatal services: HTG and RVTH have been working towards the provision of support for the neonatal services at RVTH. Neonatal mortality at RVTH currently stands at approximately 15%. Both HTG and RVTH believe that with even limited investment, the mortality level can be improved. Following agreement on the priorities for support, HTG and RVTH have agreed to jointly develop a proposal (HTG has agreed in principle to initially contribute approximately £3,000) focussing on

- Staff training
- Consumables
- Drugs

Development Manager: HTG has agreed to fund a senior management position within RVTH to co-ordinate development and fundraising activities, as well as to act as a permanent link between HTG and RVTH. RVTH has identified a requirement for a specific post to concentrate on fundraising and development activities. HTG believes that its effectiveness can be enhanced by the creation of this post, which will ensure that there is an effective flow of communication between HTG and RVTH. RVTH hopes to appoint a person to this post in the course of March 2006.

Fundraising

HTG believes that it needs to expand its fundraising base to ensure that it can prudently take on ongoing commitments to RVTH, such as those mentioned above. Whilst it will continue to engage in organic fundraising activities, based on the personal contacts of those involved in HTG, the Trustees believe that more formal relationships with potential donor organisations, wider, more focussed publicity and further identification of donor constituencies will be essential to ensure that HTG can increase and maintain its level of support for RVTH's activities.

Reserves policy

The Trustees are of the opinion that reserves should be at least a level to ensure that HTG can meet ongoing commitments to RVTH for a reasonable period even if HTG's income were reduced to zero.

The Trustees believe that, at any time, a reserve of between 7% and 10% of its income level for the previous financial year should be held. This is designed to allow HTG to ensure that existing commitments are met for a period of up to 6 months. RVTH will therefore be able to plan in advance for any reduction in HTG support. This policy is referred to as the **Reserves Policy** and was adopted by the Trustees on 27th September 2005.

The Trustees have reviewed the income of HTG and have established a separate reserve of £1,000 (held in a separate bank account), which equates to approximately 7% of HTG's income for the previous financial year, net of the reserve itself and of restricted funds.

This Reserves Policy is reviewed by HTG at a meeting of the Trustee at least once every six months, when the pattern of HTG's income and expenditure will be considered to decide whether this Reserves Policy should be amended.

Risk Management

The Trustees have conducted their own review of the major risks to which HTG is exposed and systems have been established to mitigate those risks. At the current stage of development of HTG's activities and organisation, the major risks to which HTG is exposed are internal financial risks. The segregation of financial functions referred to above, allied to the requirement for authorisation by the Trustees of all financial transactions, mitigates this risk within HTG. HTG insists on regular reporting from RVTH, including vouching of all expenditure of funds provided by HTG, to ensure that there is transparency in the use of HTG funds. The risk mitigation procedures which are in place are periodically reviewed to ensure that they still meet the needs of HTG.

Members of HTG

Members of HTG guarantee to contribute an amount not exceeding £10 to the assets of HTG in the event of winding-up. The total number of such guarantees as at 30th September 2005 was 4.

Each of the Trustees as at 30th September 2005 is also a member of HTG.

Trustees' responsibility in relation to the financial statements

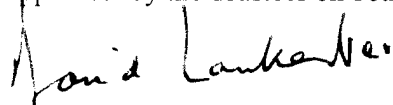
Company law requires the Trustees (who are also directors of HTG for the purposes of company law) to prepare financial statements which give a true and fair view of the state of affairs of HTG at the end of the financial year and of its surplus or deficit for the financial year. In doing so, the Trustees are required to:

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

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of HTG and enables them to ensure that the financial statements comply with the Companies Act 1985 (the **Act**). The Trustees are also responsible for safeguarding the assets of HTG and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

- (a) For the year ended 30th September 2005 HTG was entitled to exemption under section 249A(1) of the Act.
- (b) Members have not required the company to obtain an audit in accordance with section 249B(2) of the Act;
- (c) The Trustees acknowledge their responsibility for:
 - (i) ensuring the company keeps accounting records which comply with section 221 of the Act; and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 226 of the Act, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.
- (d) The accounts have been prepared in accordance with the special provisions in Part VII of the Act relating to small companies.

Approved by the Trustees on 16th March 2006 and signed on their behalf by



D R A Lankester
Chair

Statement of Financial Activities (including Income and Expenditure Account) for the period from 15th July 2004 to 30 September 2005

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds for Period £
Incoming resources				
Donations	1	15,325	1,035	16,360
Investment Income and interest		25	-	25
		<u>15,350</u>	<u>1,035</u>	<u>16,385</u>
Total incoming resources				
Resources Expended				
Cost of generating funds				
Website		409	-	409
Charitable expenditure				
Project costs		2,584	-	2,584
Management and administration		977	62	1,039
	3	<u>3,910</u>	<u>62</u>	<u>4,032</u>
Total resources expended				
Net Movement in funds	4	11,380	973	12,353
Net income/(expenditure) for the year		-	-	-
Total funds brought forward		<u>11,380</u>	<u>973</u>	<u>12,353</u>
Total funds carried forward				

The statement of financial activities includes all gains and losses recognised in the year.

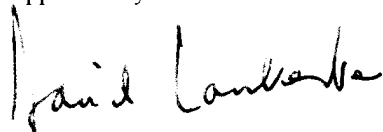
All incoming resources and resources expended derive from continuing operations

Balance Sheet as at 30th September 2005

	Notes	30 September 2005	
		£	£
Current Assets			
Cash at bank		11,360	
Debtors	7	<u>1,600</u>	
		12,960	
	8	607	
Creditors: amounts falling due within one year			<u>12,353</u>
Net current assets			12,353
Net assets	9		<u><u>12,353</u></u>
Unrestricted Funds			
General Funds	10	<u>11,380</u>	
			11,380
	10		973
Restricted Funds			<u>12,353</u>
Total Funds			<u><u>12,353</u></u>

These accounts are prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small entities.

Approved by the board of Trustees on 16th March 2006 and signed on its behalf by:



D R A Lankester
Chair

Notes forming part of the financial statements for the period from 15th July 2004 to 30th September 2005

1. Accounting Policies

- (a) The financial statements have been prepared under historic cost convention and in accordance with the Financial Reporting Standard for Smaller Entities, the Companies Act 1985 and follow the recommendations in the Accounting and Reporting by Charities: Statement of Recommended Practice issued in October 2000.
- (b) Income is received by way of donations and is recorded in full in the Statement of Financial Activities when receivable and includes any gift aid reclaimable associated with the donation. The value of services provided by volunteers has not been included.
- (c) Resources expended are recognised in the period to which they relate. Resources expended include attributable VAT which cannot be recovered.
- (d) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of HTG without further specified purpose and are available as general funds.
- (e) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure that meets these criteria is charged to the fund, together with a fair allocation of administrative expenditure.

2. Donations

	Unrestricted £	Restricted £	Total for Period £
General Donations	15,325	1,035	16,360

3. Total Resources Expended

	Total for Period £	Total for Period £
Cost of generating funds		
Website costs	409	
		409
Project costs		
Staff Training	1,278	
Medical Equipment	1,306	
		2,584
Management and administration		
Communication	489	
Registered Office	59	
Legal and professional fees	181	
Bank charges	83	
Printing	226	
		1,039
Total Resources expended		4,032

4. Net incoming resources for the year

This is stated after charging:

	Total for Period £
Depreciation	-
Trustees remuneration	-
Auditors Remuneration	-

5. Staff Costs

HTG had no employees during the period. No member of the board of Trustees received any emoluments during the period.

6. Taxation

HTG is exempt from corporation tax on its charitable activities.

7. Debtors

	At 30 September 2005 £
Other debtors and accrued income	<u>1,600</u>

8. Creditors: amounts falling due within one year

	At 30 September 2005 £
Trade Creditors	<u>607</u>

9. Analysis of net assets between funds

	General Funds £	Restricted Funds £	Total Funds £
Current assets	11,987	973	12,960
Current liabilities	(607)		(607)
Net assets at 30 September 2005	<u>11,380</u>	<u>973</u>	<u>12,353</u>

10. Movement in funds

	At 15 July 2004 2004 £	Incoming Resources £	Outgoing Resources £	At 30 September 2005 £
Restricted Funds				
Friends of RVTH	-	1,035	62	973
Total Restricted Funds	<hr/> -	<hr/> 1,035	<hr/> 62	<hr/> 973
Unrestricted Funds				
General Funds	-	15,350	3,910	11,380
Total Unrestricted Funds	<hr/> -	<hr/> 15,350	<hr/> 3,910	<hr/> 11,380
Total Funds	<hr/> -	<hr/> 16,385	<hr/> 4,032	<hr/> 12,353

Purpose of restricted funds

Friends of RVTH Funding of performance and retention incentives for RVTH nursing staff.