



500 miles
(Charitable Association)

ANNUAL REPORT
AND
FINANCIAL STATEMENTS

31 December 2021

500 miles (Charitable Association)



CONTENTS	Page
TRUSTEES' REPORT	3
INDEPENDENT EXAMINER'S REPORT	17
STATEMENT OF FINANCIAL ACTIVITIES	18
BALANCE SHEET	19
STATEMENT OF CASH FLOWS	20
NOTES TO THE FINANCIAL STATEMENTS	21



TRUSTEES' REPORT

The trustees are pleased to present their annual report together with the financial statements for the year ended 31 December 2021.

The Legal and Administrative information set out on page 15 forms part of this report. The financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

TRUSTEES

The trustees who have served during the period since the last trustees' report are Olivia Giles, Robin Garrett, Susan Dalgety, Jane Salmonson, Susan Davie and Shruti Turner.

OBJECTIVES AND ACTIVITIES

The objects of the charity are:

"to support Disabled People in deprived areas of the world by creating, establishing, managing, running, donating to or otherwise supporting projects which the Charity may from time to time consider will further the interests of Disabled People, under declaration that the Charity will have a particular focus on furthering the interests of Amputees including the provision of prosthetic services and/or components and/or devices to them; where "Disabled People" means people who suffer from any form of disability, and "Amputees" means persons who have full or partial absence of a limb or limbs, whether congenitally or due to disease or trauma."

During the accounting period these objectives to further the charity's purposes for the public benefit have been fulfilled through the following activities, all of which have continued to be affected by Coronavirus and consequent restrictions.

1. Ongoing management, operation and funding of the 500 miles Prosthetic and Orthotic Centre at Kamuzu Central Hospital ("KCH") in Lilongwe, Malawi ("**the 500 miles KCH P&O Centre**"). This orthopaedic workshop, built and established by 500 miles in 2008, prescribes, manufactures and fits prostheses and orthoses and aims to serve the whole of central region of Malawi.
2. Ongoing management, operation and funding of the 500 miles Prosthetic and Orthotic Centre at Mzuzu Central Hospital ("MCH") in Mzuzu, Malawi ("**the 500 miles MCH P&O Centre**") up to the end of June 2021, when it was handed over, as planned, to the Malawi Ministry of Health ("**MoH Malawi**"). This orthopaedic workshop, built and established by 500 miles in 2012, prescribes, manufactures and fits prostheses and orthoses and the charity's aim was for it to serve the whole of northern region of Malawi.
3. The support and funding of the delivery of low-level prosthetic and orthotic ("P&O") services to poor people attending St Francis Hospital in Katete ("St Francis Hospital") by directly funding an individual, seconded there by 500 miles, to provide this service.
4. Paying for the provision of P&O devices to poor people by the University Teaching Hospital in Lusaka, Zambia ("UTH") on an ad hoc basis.
5. Planning and payment for the training of Malawians and Zambians in prosthetics and orthotics, at The Cambodian School of Prosthetics and Orthotics ("CSPO") and Mobility India, with a view to their deployment in 500 miles' projects, including payment of fees, living allowances and travel costs.
6. Fundraising and support of third party fundraising for the charity.



ACHIEVEMENTS AND IMPACT

Malawi

Externally derived income generated in Malawi was £9,385. It was £13,944 in 2020 and £16,449 in 2019. The drop in income externally derived during 2021 from the 2020 figure is partly because the charity ceased managing the 500 miles MCH P&O Centre at the end of June and so there was no income after May 2021, and partly because the charity's charging policy was not enforced well at the 500 miles KCH P&O Centre during 2021. The drop from the 2019 figure was mainly as a result of a reduction in demand for and production of P&O devices due to Coronavirus. The figure achieved by way of income in 2021 is proportionately not significantly less than that of 2020.

In 2018, the charity appointed a quality improvement consultant ("QIC") to create and implement a quality management system ("QMS") at the at the 500 miles KCH P&O Centre and the 500 miles MCH P&O Centre during 2019. Johnson & Johnson covered 75% of the costs of the programme in 2019 as a result of which the QMS manual was substantially created and implemented at both centres. 500 miles secured a further grant from Johnson & Johnson to cover 64% of the costs of completing the project during 2020 but the QIC was unable to deliver the programme in 2020 or 2021 due to Coronavirus. Since the charity's local managers at the 500 miles MCH P&O Centre managed to refine, fully implement, embed and audit the QMS at that centre before it was handed over in July 2021, Johnson & Johnson have agreed that the whole of the second grant may be spent on completing the project at the 500 miles KCH P&O Centre where the practice and audit of the QMS has lapsed since the end of 2019, partly due to the restrictions imposed as a result of the virus putting pressure on the reduced staff's capacity and also due to lack of momentum and enforcement as a result of the QIC not being able to visit. Johnson & Johnson have also agreed to postpone the end date for the project until 30th June 2023.

At the 500 miles KCH P&O Centre

Despite the impact of Coronavirus, 500 miles continued to manage, operate and fund the 500 miles KCH P&O Centre. The charity funds all costs of production of all P&O devices supplied which are not met by MoH Malawi or by income to the centre from third party sources.

Capacity and production rate were higher than for 2020 but reduced from 2019 and previous years. That reduction is mainly due to reduced patient demand and some rota working and significantly reduced outreach activity, all as a direct result of Coronavirus. Production was already reduced in 2019 as a result of the interruption caused by the quality improvement initiative and the refurbishment of this centre, so the more relevant comparison is with the 2017 and 2018 figures. The total number of patients treated in 2021 was 1,267 compared with 1,212 in 2020, 1,412 in 2019, 1,665 in 2018 and 1,452 in 2017. 1,042 new P&O devices were delivered in 2021, compared with 959 in 2020, 874 in 2019, 1,294 in 2018 and 1,104 in 2017, which represents an average of 86.8 new devices a month compared with an average of 79.9 in 2020, 72.8 in 2019, 107.8 in 2018 and 92 in 2017. KCH P&O Centre had 8,137 registered patients as at the end of 2021, up 1,399 from 6,738 at the end of 2020.

In all of the circumstances which prevailed for most of the year, and especially when the majority of the charity's referring partners were not operating, only limited outreach was possible and unnecessary travel was discouraged, these statistics show that this centre kept operating at close to its usual level and that the demand for the service in central region remains very high. The increase in capacity and production from 2020 shows that this centre adapted well to the impact of Coronavirus.

500 miles funded the vast majority of the costs of these 1,042 new devices which were supplied to individuals who were unable to pay for themselves. The charity used the One Smile fund and reserves to meet these costs.

Due to the restrictions imposed as a result of Coronavirus, the charity has not been able to expand the level of its outreach work or to work with new partners in new areas, but it did undertake



ACHIEVEMENTS AND IMPACT (continued)

outreach activity with its established partners whenever it was permitted and safe.

From April onwards, 500 miles participated in a heavy multidisciplinary outreach programme with three of our principal partners, visiting 7 sites in central region, two of them twice. In addition, the charity ran one small outreach with a regular partner in October and a major sensitisation and outreach for another regular partner in November.

The Lilongwe Institute of Orthopaedics and Neurosurgery ("LION") is a joint venture between a Norwegian consortium and MoH Malawi. LION is constructing a new orthopaedic complex in Lilongwe. During the year, 500 miles has agreed informally with LION that the charity will move its P&O service from the 500 miles KCH P&O Centre into the rehabilitation section of the LION complex on completion and leave the 500 miles KCH P&O Centre for the use of KCH. This means that when 500 miles hands over fiscal and administrative control of the P&O service which it currently runs at the 500 miles KCH P&O Centre to the Malawi government, in accordance with the charity's long-term plan, 500 miles will actually hand it over to LION in these new premises. This should facilitate a smoother handover of the charity's P&O service, as well as support its long-term sustainability. Completion of the rehabilitation section of the LION complex has been delayed by the impact of Coronavirus but is now scheduled for August 2022.

500 miles has continued to integrate and align its P&O service at the 500 miles KCH P&O Centre with associated and complementary health services at KCH as these services will also move to the LION complex.

In preparation for the move to LION complex, the charity has been working towards having its staff at the 500 miles P&O centre employed by MoH Malawi/LION with one qualified technician being taken on by MoH Malawi during the year.

500 miles funded a former technician at the 500 miles KCH P&O Centre to study for the first year of a three-year residential diploma course in orthopaedic technology with CSPO, starting in January 2021. The student was unable to travel to Cambodia due to travel restrictions imposed as a result of Coronavirus, but he studied online throughout the year with a view to catching up on the practical part of his course when travel is permitted.

The charity nominated another technician at the 500 miles KCH P&O Centre to take up sponsorship offered through CSPO for a one-year residential P&O technician training course, beginning in May 2021. Again, the student was unable to travel to Cambodia, but he studied online and the course has been extended to July 2022 to allow him to catch up on the practical element when he can travel.

The charging policy at the 500 miles KCH P&O Centre requires those who can pay to contribute as much as they can afford towards the cost of devices. In October 2021, 500 miles rebooted the enforcement of this policy with a view to increasing the income and self-sufficiency of the centre.

At the 500 miles MCH P&O Centre

The charity's long-term plan to hand over fiscal and administrative control of the 500 miles MCH P&O Centre to MCH/MoH Malawi was achieved on schedule, on 1st July 2021. This handover was achieved and should be sustainable on account of a number of factors - (1) The installation, implementation and consolidation of the QMS referred to above to secure and sustain the quality of the P&O service by systematizing it. (2) Since the 500 miles MCH P&O Centre opened in November 2012, the continued integration and alignment of its P&O service with MCH and its services with excellent high-level cooperation with MCH which continued to pay invoices regularly and to take on increasing responsibility for costs. (3) The charging policy introduced by 500 miles being successfully implemented by the staff to generate in-country income. (4) Sufficient staff having been sponsored to attain international qualifications and the unqualified staff had been well trained on the job. (5) All of the staff bar one technician, having been absorbed on to the MoH payroll. (6) Most importantly, 500 miles had sponsored the training of a Malawian to degree level and since she qualified in June 2019, had given her on the job management training so that she was competent to manage the centre.



ACHIEVEMENTS AND IMPACT (continued)

Despite the impact of Coronavirus, 500 miles continued to manage, operate and fund the 500 miles MCH P&O Centre until the handover. The charity funded all costs of production of all P&O devices supplied which were not met by MoH Malawi or by income to the centre from third party sources.

Capacity and production rates continued to be depressed compared with pre-pandemic years due to reduced patient demand as a direct result of Coronavirus, however, they did recover quite significantly compared with 2020, mainly due to increased outreach activity. As for the 500 miles KCH P&O Centre, production was already reduced in 2019 due to the interruption caused by the quality improvement initiative, so the more relevant comparison is with the 2017 and 2018 figures.

The total number of patients treated in the 6-month period to the end of June 2021 was 246 compared with 422, 628, 659 and 665 in the 12-month periods of 2020, 2019, 2018 and 2017, respectively. 276 new P&O devices were delivered in the first 6 months of 2021 compared with 412, 719, 827 and 777 in the years 2020, 2019, 2018 and 2017, respectively. This represents an average of 46 new devices a month compared with an average of 33.3 in 2021, 59.9 in 2019, 68.9 in 2018 and 64.7 in 2017. The 500 miles MCH P&O Centre had 2,694 registered patients as at the end of 2021, up 132 from 2,562 at the end of 2020.

In all of the circumstances which prevailed, including that the charity was preparing to handover this centre and was restricted in operating its outreach programme which usually generated around half of this centre's patients, these statistics show that the 500 miles MCH P&O Centre kept operating at approximately two thirds of its usual capacity and exceeded its production rate in 2020 by 38% and that the service was operating efficiently and was well established in northern region when it was handed over.

500 miles funded or part funded the vast majority of the costs of the 276 new devices which were supplied to individuals who were unable to pay for themselves. The charity used the One Smile fund and reserves to meet these costs.

The charity carried out two multi-disciplinary outreaches alongside a regular partner in March and June and one multi-disciplinary outreach in conjunction with three partners in May. A few ad hoc referrals were made from additional sources but most outreach activity with third parties was frustrated as a result of the impact of Coronavirus, as was the opportunity to develop additional outreach partnerships and referral sources.

In April, as part of 500 miles' own systematic sensitisation and outreach programme which was intended to educate as many key organisations and individuals in northern region as possible about the service and to reach as many people with disabilities as possible, the charity managed to conduct one outreach (to 4 sites each and covering 4 large health centre clusters) in Mzimba North. Although this was the first visit to some of these sites by 500 miles, the charity is known in the area and so the activity attracted a high volume of patients who are likely to attend the 500 miles MCH P&O Centre at some point.

500 miles MCH P&O Centre was unable to participate in any MCH-led outreaches to other districts of northern region because MCH did not organise any.

The technician on the staff at the 500 miles MCH P&O Centre who was not absorbed onto the MoH Malawi payroll was placed at the 500 miles KCH P&O Centre from June 2021.

500 miles created a comprehensive manual for the new manager of the 500 miles MCH P&O Centre and a staff handbook.

As a result of the charity's work in both the 500 miles KCH P&O Centre and the 500 miles MCH P&O Centre, people all over central and northern regions of Malawi have a

