

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST



REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2020**

Registered Charity No. 1083226

**UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2019**

CONSTITUTION

The United Mission to Nepal Hospitals' Endowment Trust was established by a Declaration of Trust on 20 September 2000 and registered with the Charity Commission on 7 November 2000.

TRUSTEES

The Trustees during the financial year ending 31 December 2020 and up to the date of the signing of this Trustees' report were the following:

Dr Anthony Cleve Chevassut (Chair)
Dr Katrina Butterworth
Mr Ian Chadwell
Mrs Alison Chevassut
Dr Olak Jirel
Dr Gary Parkes
Dr David Rodgers
Mr Timothy Trimble (Treasurer)

REGISTERED OFFICE:

Langtang
Berry Lane
East Hanney
Wantage
OX12 0JB

BANKERS:

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill, West Malling
ME19 4JQ

INVESTMENT ADVISORS:

CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

St James's Place
Wealth Management
11 Hamilton Place
Mayfair
London
W1J 7DR

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

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UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

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ABOUT THE UNITED MISSION TO NEPAL HOSPITAL ENDOWMENTS TRUST

The United Mission to Nepal (UMN) first established health work in Nepal in 1954 with a maternity clinic in Bhaktapur and a hospital in Kathmandu was opened a month later. This was to become Shanta Bhawan Hospital, evolving in 1982 into Patan Hospital. 1954 also saw the start of medical work in Tansen and by 1957 a school and a dispensary were established in Amp Pipal. By 1959 a dispensary had been established in Okhaldhunga, from which Okhaldhunga Community Hospital evolved. Other Community Health programmes were also started, and the UMN to this day continues to be a major contributor to health care.

However, the UMN vision was to develop educate and eventually empower local communities to play a much larger part in the general management of its hospitals, and now both Patan Hospital and Amp Pipal Hospital have achieved that independence. The desire to continue the impartial and, where necessary subsidised, care to all who come for help regardless of status, caste, creed or resources is intended to remain integral to their work, whether under the UMN umbrella or under local management.

Nepal has a population of approximately 27 million, and it is estimated that 45% of its people earn less than £1 per day. Nothing akin to our NHS exists in the country, so there is a great need for the funding of subsidised and charitable care. Recent turbulent times in Nepal have added to the increasing requests for assistance.

In 2000 the United Mission to Nepal Hospitals' Endowment Trust (UMNHET) was set up to support financially the 'free care for the poor' Medical Assistance Fund in each of the four hospitals that began under the UMN umbrella. The endowment fund is not separately managed for each hospital but managed by the Trustees for the mutual benefit of each hospital. Funds are allocated by the Trustees for the benefit of each hospital and any gifts received are added to these funds as according to the donor's wishes.

The endowment is invested with two investment managers who also advise the Trustees on detailed investment decisions. Interest received on the capital that is invested is paid each year to the four hospitals. Interest generated by the capital fund is usually paid to each hospital in proportion to the capital allocated to each hospital. Interest generated by the General fund is distributed each year in full according to the hospitals requirements and needs and may be distributed to other health care providers that have close links with the hospitals. The final decision on distribution is taken by the Trustees following a discussion based upon the needs and requirements expressed to the Trustees by the management of each hospital.

Grants are sent twice a year and are always received with much gratitude.

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

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ANNUAL REPORT OF THE TRUSTEES

Background

This is our seventeenth Annual Report, representing events and progress for the period of 1st January 2020 through to 31st December 2020.

Trustees

During 2020, the Trustees who served were Dr Cleve Chevassut, Dr Olak Jirel, Dr Gary Parkes, Mr Timothy Trimble, Mrs Alison Chevassut, Dr Katrina Butterworth, Mr Ian Chadwell and Dr David Rodgers. All the Trustees have had, or continue to have, experience working in Nepal, under the auspices of The United Mission to Nepal (UMN).

The Trustees collectively represent many years of service in Nepal and bring a wealth of knowledge and expertise to the running of the Trust. I am extremely grateful to all the Trustees for their hard work and willingness to serve the Trust over this past year.

Activities

The Trustees met for an Annual General Meeting on 20th June 2020. The meeting was a virtual meeting by zoom, rather than a physical meeting, because of the COVID-19 pandemic and restrictions on movement and meetings. This meeting was attended by all eight of our Trustees, including Dr Olak Jirel in Nepal, and provided a good opportunity to discuss the ongoing work of the Trust, receive updated information on our current financial situation, hear news from the hospitals supported by the Trust, and discuss recent news from Nepal.

During 2020, one of our Trustees, Dr Olak Jirel, continued his medical work in Nepal with the United Mission to Nepal, and Dr David Rodgers continued his role as a United Mission to Nepal Board member, which met for Board Meetings via zoom.

Special thanks go to Tim Trimble, our Treasurer, for his detailed work on our finances, to Alison Chevassut, our Secretary, for writing thank you letters to our donors, and keeping in touch with our hospitals in Nepal, and to Katrina Butterworth for writing our Annual Newsletter. We are also very indebted to Ian Linehan, a friend of UMNHET, who has constructed and managed our website so capably for many years.

Developments in Nepal

2020 has been the year of COVID for Nepal. The first case was confirmed on 24th Jan, the first National lockdown commenced on 24th March, and the first death occurred on 16th May. The lockdown ended on 22nd July, and by 4th November

1000 deaths from COVID had sadly occurred. The National lockdown increased the rate of neonatal deaths, and marginalised ethnic groups suffered the greatest decline in access to health services. Daily wage labourers and farmers suffered disproportionate harm to their livelihoods, and school closures disrupted the education of more than 8 million children.

Nepal remains one of the world's poorest countries and according to The International Monetary Fund, in 2021 Nepal ranked 165th out of 195 countries for GDP per capita, with a figure of 1,236 USD. Of course, this average figure does not tell the true story for many in the country who live in abject poverty.

The four UMN founded hospitals continue to serve the people of Nepal, with a special focus on the poor and marginalised. We commend the hard work and dedication of so many staff in these institutions, especially during the COVID pandemic. In 2015 The United Mission to Nepal signed a new Hospital Agreement with the Government of Nepal, securing the future of the two UMN hospitals, Tansen and Okhaldhunga, for the next five years. Patan and Amp Pipal Hospitals continue under their own governance structure, which is independent of UMN.

The COVID pandemic created many new challenges for the UMN founded hospitals, as they sought to continue caring for patients. The lack of patients accessing the hospital due to the pandemic lead to a significant fall in hospital revenue, and there were enormous concerns about how to pay staff salaries and keep the hospitals running. UMN launched the "Save Our Hospitals" appeal to raise money for this purpose.

As UMNHET Trustees we met for an Extraordinary Meeting on 5th April 2020, and the decision was taken to make our usual two annual disbursements as a single disbursement as early as possible, earmarking part of the disbursement for the Medical Assistant Fund (MAF), and part which the hospitals could use at their discretion towards their greatest need. In addition, we agreed that UMNHET would act as a "channel" for our donors to give money directly to the UMN "Save Our Hospitals" appeal.

Financial Situation

The Trustees continue to be immensely grateful to our many donors for the gifts given to the Trust. This shows the ongoing commitment of many long-term friends to the work of the Trust. In 2020 the Trust was able to make grants to the four UMN founded hospitals, and allied organisations, of £34,244, being interest and dividends received from investments during the previous year. In addition a grant of £27,353 was sent following fundraising for the 'Save our Hospitals appeal a UMN appeal for support during the COVID-19 pandemic. In total grants of £61,597 were sent to Nepal in 2020. Since the Trust started making grants in 2005 it has paid out £502,700 from its endowment funds and £40,629 from direct appeals.

Gift aid of £4,753 (2019 £949) was received during the year.

The results for the year and the state of affairs as at 31 December 2020 are shown on pages 7 and 8 respectively.

Investment Policy

The market value of investments held at 31 December 2020 was £830,064 (2019 £828,395) made up of £518,607 invested with St James's Place and £311,457 invested with CCLA as shown in note 2 to the accounts.

St James's Place managed funds are invested in a portfolio consisting about 63% (2019 65%) fixed interest bonds with the balance invested in equities, other investments and cash. COIF Charities Fixed Interest Fund - Income Units are invested in fixed interest securities of which about 38% (2019 40%) are Government Bonds, the balance is invested in non government bonds and cash.

As funds are invested only for income generation the Trustees consider it prudent to value investments at cost. The market values of investments held are disclosed in note 2 to the accounts.

Both investment funds meet the Trustees' ethical concerns and provide income in preference to capital growth. During 2020 the income from investments was £30,206 (2019 £34,244).

Reserves Policy

Funds invested generate interest and dividends which is paid out in full the following financial year. The Trustees consider no benefit in holding undesignated free reserves.

Risk Assessment

At the AGM the Trustees reviewed an assessment of the risks to which the charity is exposed. The main risks are loss of investment income due to poor results from investment managers and ensuring that interest is used by the beneficiary hospitals for the purpose for which it is given.

Future Plans

The Trustees will continue in 2020 to raise further funds and distribute income received as mandated by the governing document.

Responsibilities of the Trustees

The law applicable to charities in England and Wales requires the Trustees to prepare the annual report and financial statements for each financial year, which give a true and fair view of the state of affairs of the charity as at the balance sheet date and of its incoming resources and application of resources, including its income and expenditure. In preparing these financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- ensure that the best accounting practice has been followed, subject to any material departures disclosed and explained in the financial statements;

- and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Trust and enable preparation of the financial statements complying with the Charities Act 2011.

The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Further information can be obtained from the website www.umnhet.org.uk

Approved by the Trustees and signed on their behalf by:



Dr Cleve Chevassut
25 June 2021

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2020

Independent Examiner's report to the trustees of United Mission to Nepal Hospitals' Endowment Trust.

I report on the accounts of the Trust for the year ended 31 December 2020, which are set out on the following pages.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) or under Regulation 10(1)(a) to (c) of the Charities Accounts (Scotland) Regulations 2006 (the 2006 Regulations) and that an independent examination is needed. The charity is preparing accrued accounts and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act 2011 and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act)
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act
- to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement .

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

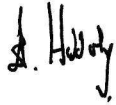
to keep accounting records in accordance with section 130 of the 2011 Act and section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations and

to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act and section 44(1)(b) of the 2005 Act and Regulation 8 of the 2006 Accounts Regulations

have not been met or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

Signed:

A handwritten signature in black ink, appearing to read 'J. Hedderley', written in a cursive style.

John Hedderley

Chartered Certified Accountant

Grove, Wantage

Date: 25 June 2021

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

**Statement of Financial Activities
For the Year Ended 31 December 2020**

	Hospital Funds	General Fund	Save Our Hospitals	Total 2020	Hospital Funds	General Fund	Total 2019
	£	£	£	£	£	£	£
Income							
Donations							
Trusts and foundations	2,500	-	15,000	17,500	-	1,000	1,000
Individual donors	18,715	2,100	12,353	33,168	20,591	2,990	23,581
Gift aid on donations	-	4,753	-	4,753	-	949	949
Total Donations	21,215	6,853	27,353	55,421	20,591	4,939	25,530
Investment Income							
CCLA managed funds	5,754	3,626	-	9,380	5,485	3,531	9,016
St James's Place managed funds	12,774	8,052	-	20,826	15,348	9,880	25,228
Total Investment income	18,528	11,678	-	30,206	20,833	13,411	34,244
Total income	39,743	18,531	27,353	85,627	41,424	18,350	59,774
Expenditure on Charitable Activities							
Grants payable to Beneficiaries	18,528	11,678	27,353	57,559	20,833	13,411	34,244
Support costs	80	100	-	180	80	248	328
Total Expenditure	18,608	11,778	27,353	57,739	20,913	13,659	34,572
Net movement in funds for year	21,135	6,753	-	27,888	20,511	4,691	25,202
Reconciliation of funds							
Total funds brought forward	490,155	315,520	-	805,675	469,644	310,829	780,473
Total funds carried forward	511,290	322,273	-	833,563	490,155	315,520	805,675

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

Balance Sheet as at 31 December 2020

	Notes	2020 £	2019 £
Current assets			
Investments at cost			
CCLA managed funds	2	291,446	267,446
St James's Place managed funds	2	<u>531,671</u>	<u>531,671</u>
		823,117	799,117
Cash at bank			
Current account – CAF Bank		22,745	17,307
Deposit account – CAF Bank/CCLA		<u>8,036</u>	<u>14,507</u>
		30,781	31,814
Debtors			
4th Quarter interest on St James's Place		5,374	6,744
4th Quarter interest on CCLA		2,338	2,244
Accrued Gift Aid		<u>2,159</u>	<u>-</u>
		9,871	8,988
Current Liabilities			
Creditors- less than one year			
Hospital funds	4	18,527	20,833
General funds	4	<u>11,679</u>	<u>13,411</u>
		30,206	34,244
Net current assets/Liabilities		<u>833,563</u>	<u>805,675</u>
Fund Balances	3	<u>833,563</u>	<u>805,675</u>

These financial statements have been prepared in accordance with the Financial Reporting Standard 102 SORP.

The Financial Statements were approved by the Board of Trustees on 25 June 2021 and signed on their behalf by Dr Cleve Chevassut Chair of Trustees;

A. Chevassut

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2020

Notes to the Accounts

Note 1 - Accounting policies

a) Basis of accounting

(i) The financial statements have been prepared under the historical cost convention in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice and the Charities Act 2011.

b) Incoming Resources

Grants, donations and conference fees are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

c) Resources expended

All expenditure is accounted for on an accruals basis when there is a legal or constructive obligation to do so.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and represent the associated costs of finance and general administration in supporting the operational programmes for which the charity is responsible.

Governance costs include the cost of the governance arrangements which relate to the general running of the charity as opposed to the direct management functions inherent in generating funds, service delivery and programme or project work. This includes such items as Independent Examiner's fees, legal advice for trustees and costs associated with constitutional and statutory requirements.

d) Fund accounting

The Charity maintains various types of fund as follows:

Hospital funds - these represent grants and donations which are allocated to specific hospitals based on the wishes of the donor.

Unrestricted funds - these represent funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

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Notes to the Accounts

Note 2

Investments

	2020			2019		
	CCLA	St James's	Total	CCLA	St James's	Total
Investments at cost	£	£	£	£	£	£
1 January	267,446	531,671	799,117	267,446	509,671	777,117
Additions	24,000	-	24,000	-	22,000	22,000
31 December	291,446	531,671	823,117	267,446	531,671	799,117

Investments at market value

	£	£	£	£	£	£
1 January	278,026	550,369	828,395	269,496	495,613	765,109
Added	24,000	-	24,000	-	22,000	22,000
Unrealised gains/(loss)	9,431	(31,762)	(22,331)	8,530	32,756	41,286
31 December	311,457	518,607	830,064	278,026	550,369	828,395

Note 3

Fund Balances (Capital)

	Amp Pipal	Okhaldh -unga	Tansen	Patan	Total Hospitals	General Fund
	£	£	£	£	£	£
Opening Balances	142,449	99,310	164,685	83,711	490,155	315,520
Donations received	3,483	3,483	10,743	3,506	21,215	2,100
Gift Aid received	-	-	-	-	-	4,753
Expenditure- bank charges	20	20	20	20	80	100
Closing Balances	145,912	102,773	175,408	87,197	511,290	322,273
	18%	12%	21%	10%	61%	39%

Summary of Capital Fund balances

	2020	2019
	£	£
Hospital Funds	511,290	490,155
General	322,273	315,520
Total Funds	833,563	805,675

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

**REPORT AND FINANCIAL STATEMENTS
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Notes to the Accounts

Note 4

Funds payable	Amp Pipal £	Okhaldh -unga £	Tansen £	Patan £	Save Our Hospitals £	Total Hospitals £	General Fund £	Total £
Opening Balances 1 Jan	6,054	4,221	7,000	3,558	-	20,833	13,411	34,244
Donations received	-	-	-	-	27,353	27,353	-	27,353
Grants paid in year	6,054	4,221	7,000	3,558	27,353	48,186	13,411	61,597
St James's Place	3,645	2,568	4,382	2,179	-	12,774	8,052	20,826
CCLA	1,643	1,156	1,974	981	-	5,754	3,626	9,380
Balance payable in 2021	5,288	3,724	6,356	3,160	-	18,528	11,678	30,206

Summary of funds payable in following year

	2020 £	2019 £
Hospital funds	18,528	20,833
General	11,678	13,411
Total Funds payable	30,206	34,244

Note 5. Related Party Disclosure

During the year £27,353 was paid to United Mission to Nepal Worldwide Limited as a means to transfer the 'Save Our Hospitals' grant to Tansen and Okhaldhunga hospitals. Dr David Rodgers is a Director of United Mission to Nepal Worldwide Limited. The Trustees were in full agreement that the Save Our Hospitals appeal was in accordance with the objects of the Trust and a transfer by this method was the most efficient and timely method available.

During the year £10,833 was paid to United Mission Hospital, Tansen and £6,533 was paid to Okhaldhunga Community Hospital both projects of United Mission to Nepal of which Dr David Rodgers is a Trustee. United Mission to Nepal works in Nepal under a General agreement and Project agreement with the Social Welfare Council of the Government of Nepal. The Trustees were in full agreement that these transfers were in accordance with the objects of the Trust.