

# UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST



**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2019**

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 2019 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**

**REPORT AND FINANCIAL STATEMENTS  
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## **UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2019**

#### **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**

## **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2019**

### **ANNUAL REPORT OF THE TRUSTEES**

#### **Background**

This is our seventeenth Annual Report, representing events and progress for the period of 1<sup>st</sup> January 2019 through to 31<sup>st</sup> December 2019.

#### **Trustees**

During 2019, 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).

Mr Ian Chadwell and Dr David Rodgers were warmly welcomed as our newest Trustees in June 2019. Ian served in Nepal on two separate occasions. From 1992 to 1996 he worked in the Health Services Office of the United Mission to Nepal in Kathmandu, and between 2006 and 2018 he worked in health-related administration for several different NGOs in Nepal. David served in Amp Pipal Hospital from 1995 to 2001. David was elected to serve on the Board of Trustees of UMN in early 2019.

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 22nd June 2019, at the home of Cleve & Alison Chevassut in Reading, Berkshire. This meeting was attended by seven of our Trustees, 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 2019, one of our Trustees, Dr Olak Jirel, continued his medical work in Nepal with the United Mission to Nepal, and Dr David Rodgers visited Nepal in order to attend the UMN Board Meetings.

I am very grateful to all our Trustees for their continued hard work and commitment to the work of the Trust.

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, to Gary Parkes and Katrina Butterworth for writing our Annual Newsletter, and to Katrina Butterworth for helping to upgrade our website. We are also very indebted to Ian Linehan, a friend of UMNHET, who has constructed and managed our website for many years.

## **Developments in Nepal**

2019 appears to have been a reasonably stable year for Nepal, with no major natural disasters. However, Nepal remains one of the world's poorest countries and according to The World Bank, in 2018 (the latest data figures available) Nepal ranked 164th out of 190 countries for GDP per capita, with a figure of 1,034 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. 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 Okhandhunga, for the next five years. Patan and Amp Pipal Hospitals continue under their own governance structure, which is independent of UMN.

## **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 2019 the Trust was able to make grants to the four UMN founded hospitals, and allied organisations, totalling £33,947, being interest and dividends received from investments during the previous year. Since the Trust started making grants in 2005 it has paid out a total of £468,456.

Gift aid of £949 (2018 £614) was received during the year.

The results for the year and the state of affairs as at 31 December 2019 are shown on pages 7 and 8 respectively.

## **Investment Policy**

The market value of investments held at 31 December 2019 was £828,395 (2018 £765,109) made up of £550,369 invested with St James's Place and £278,026 invested with CCLA as shown in note 2 to the accounts.

St James's Place managed funds are invested in a portfolio consisting about 65% (2018 58%) 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 40% (2018 45%) are Government Bonds.

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 2018 the income from investments was £34,244 (2018 £33,946).

## **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](http://www.umnhet.org.uk)

Approved by the Trustees and signed on their behalf by:



Dr Cleve Chevassut  
20 June 2020

## **UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST**

### **REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2019**

#### **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 2019, 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:



John Hedderley

Chartered Certified Accountant

Grove, Wantage

Date:

**UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST**

**Statement of Financial Activities  
For the Year Ended 31 December 2019**

	<b>Hospital Funds</b>	<b>General Fund</b>	<b>Total 2019</b>	<b>Hospital Funds</b>	<b>General Fund</b>	<b>Total 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>			<b>£</b>
<b>Income</b>						
Donations						
Trusts and foundations	-	1,000	<b>1,000</b>	-	1,000	1,000
Individual donors	20,591	2,990	<b>23,581</b>	4,830	10,150	14,980
Gift aid on donations	-	949	<b>949</b>	-	614	614
<b>Total Donations</b>	<b>20,591</b>	<b>4,939</b>	<b>25,530</b>	<b>4,830</b>	<b>11,764</b>	<b>16,594</b>
Investment Income						
CCLA managed funds	5,485	3,531	<b>9,016</b>	5,415	3,584	8,999
St James's Place managed funds	15,348	9,880	<b>25,228</b>	15,012	9,936	24,948
<b>Total Investment income</b>	<b>20,833</b>	<b>13,411</b>	<b>34,244</b>	<b>20,427</b>	<b>13,520</b>	<b>33,947</b>
<b>Total income</b>	<b>41,424</b>	<b>18,350</b>	<b>59,774</b>	<b>25,257</b>	<b>25,284</b>	<b>50,541</b>
<b>Expenditure on Charitable Activities</b>						
Grants payable to Beneficiaries	20,833	13,411	<b>34,244</b>	20,427	13,520	33,947
Support costs	80	248	328	68	551	619
<b>Total Expenditure</b>	<b>20,913</b>	<b>13,659</b>	<b>34,572</b>	<b>20,495</b>	<b>14,071</b>	<b>34,566</b>
<b>Net movement in funds for year</b>	<b>20,511</b>	<b>4,691</b>	<b>25,202</b>	<b>4,762</b>	<b>11,213</b>	<b>15,975</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	469,644	310,829	780,473	464,882	299,616	764,498
<b>Total funds carried forward</b>	<b>490,155</b>	<b>315,520</b>	<b>805,675</b>	<b>469,644</b>	<b>310,829</b>	<b>780,473</b>

**UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST**

**Balance Sheet as at 31 December 2019**

	Notes	2019 £	2018 £
<b>Current assets</b>			
<b>Investments at cost</b>			
CCLA managed funds	2	267,446	267,446
St James's Place managed funds	2	531,671	509,671
		<u>799,117</u>	<u>777,117</u>
<b>Cash at bank</b>			
HSBC		-	17,401
Current account – CAF Bank		17,307	1,565
Deposit account – CAF Bank/CCLA		14,507	9,416
		<u>31,814</u>	<u>28,382</u>
<b>Debtors</b>			
4th Quarter interest on St James's Place		6,744	6,677
4th Quarter interest on CCLA		2,244	2,244
		<u>8,988</u>	<u>8,921</u>
<b>Current Liabilities</b>			
Creditors- less than one year			
Hospital funds	4	20,833	20,427
General funds	4	13,411	13,520
		<u>34,244</u>	<u>33,947</u>
<b>Net current assets/Liabilities</b>		<u>805,675</u>	<u>780,473</u>
<b>Fund Balances</b>	3	<u>805,675</u>	<u>780,473</u>

The Financial Statements were approved by the Trustees on 20 June 2020.

*Ay Chevasut*

And signed on behalf of the Trustees by Dr Cleve Chevasut:

## UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

### REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2019

#### 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**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 31 DECEMBER 2019**

**Notes to the Accounts**

**Note 2**

**Investments**

	2019			2018		
	CCLA	St James's	Total	CCLA	St James's	Total
<b>Investments at cost</b>						
	£	£	£	£	£	£
1 January	267,446	509,671	<b>777,117</b>	237,446	509,671	747,117
Added	-	22,000	<b>22,000</b>	30,000	-	30,000
31 December	267,446	531,671	<b>799,117</b>	267,446	509,671	777,117

**Investments at market value**

	£	£	£	£	£	£
1 January	269,496	495,613	<b>765,109</b>	250,066	556,292	806,358
Added	-	22,000	<b>22,000</b>	30,000	-	30,000
Unrealised gains/(loss)	8,530	32,756	<b>41,286</b>	(10,570)	(60,679)	(71,249)
31 December	278,026	550,369	<b>828,395</b>	269,496	495,613	765,109

**Note 3**

**Fund Balances (Capital)**

	Amp Pipal	Okhaldh- unga	Tansen	Patan	Total Hospitals	General Fund
	£	£	£	£	£	£
Opening Balances	140,455	95,938	151,650	81,601	469,644	310,829
Received from Trusts	-	-	-	-	-	1,000
Donations received	2,014	3,392	13,055	2,130	20,591	2,990
Gift Aid received	-	-	-	-	-	949
Expenditure- bank charges	20	20	20	20	80	248
Closing Balances	142,449	99,310	164,685	83,711	490,155	315,520
	18%	12%	20%	10%	61%	39%

**Summary of Capital Fund balances**

	2019	2018
	£	£
Hospital Funds	490,155	469,644
General	315,520	310,829
Total Funds	805,675	780,473

**UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDING 31 DECEMBER 2019**

**Notes to the Accounts**

**Note 4**

	<b>Amp Pipal</b>	<b>Okhaldh- unga</b>	<b>Tansen</b>	<b>Patan</b>	<b>Total Hospitals</b>	<b>General Fund</b>	<b>Total</b>
	£	£	£	£	£	£	£
<b>Funds payable</b>							
Opening Balances 1 Jan	6,109	4,173	6,596	3,549	20,427	13,520	33,947
Grants paid in year	(6,109)	(4,173)	(6,596)	(3,549)	(20,427)	(13,520)	(33,947)
St James's Place	4,460	3,110	5,157	2,621	15,348	9,880	25,228
CCLA	1,594	1,111	1,843	937	5,485	3,531	9,016
Balance payable in 2020	6,054	4,221	7,000	3,558	20,833	13,411	34,244

**Summary of Funds payable**

	<b>2019</b>	<b>2018</b>
	£	£
Hospital funds	20,833	20,427
General	13,411	13,520
<b>Total Funds payable</b>	<b>34,244</b>	<b>33,947</b>