

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST



REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2016**

Registered Charity No. 1083226

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2016

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 2016 and up to the date of the signing of this Trustees' report were the following:

Dr Anthony Cleve Chevassut (Chair)
Mrs Alison Anne Chevassut
Mrs Maureen Hawksworth (Resigned 10/6/17)
Mr Michael Hawksworth (Resigned 10/6/17)
Dr Olak Jirel
Mr Roger Marston (Resigned 10/6/17)
Gary Parkes
Timothy Trimble (Treasurer)

REGISTERED OFFICE: Langtang
Berry Lane
East Hanney
Wantage
OX12 0JB

BANKERS: HSBC
44 Upper High Street
Thame
OX9 2DW

INVESTMENT ADVISORS: CCLA
Senator House
85 Queen Victoria Street
London
EC4V 4ET

St James's Place
Wealth Management
11 Hamilton Place
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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 designated 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 designated to each hospital by the Trustees. 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 fifteenth Annual Report, representing events and progress for the period of 1st January 2016 through to 31st December 2016.

Trustees

During 2016, the Trustees who served were Mr Roger Marston, Mrs Jennifer Margaret Renfrew Marston, Dr Anthony Cleve Jonathan Chevassut, Mr John Butterworth, Dr Olak Jirel, Dr Gary Parkes, Mr Michael Hawksworth, Mrs Maureen Hawksworth, Mr Timothy Trimble and Mrs Alison Anne Chevassut. All the Trustees have had, or continue to have, experience working in Nepal, under the auspices of The United Mission to Nepal.

Mrs Jennifer Marston & Mr John Butterworth both resigned as Trustees in June 2016, and thanks for their many years of service to UMNHET was publicly given at our AGM in June 2016. Mrs Jennifer Marston had served as the Secretary to UMNHET since its inception, and words cannot adequately express our gratitude to her for her truly exceptional inspiration and hard work. Mrs Alison Chevassut was appointed as Trustee and Secretary at our AGM in June 2016.

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 4th June 2016, at the home of Cleve & Alison Chevassut in Reading, Berkshire. This meeting was attended by five 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.

Gary Parkes (with his wife Debbie) was working in Tansen Hospital during 2016, but the wedding of their son meant they were in the UK at the time of our AGM in June, and so it was good to hear a first-hand report from Gary about the work of Tansen Hospital, and also news of the other UMN founded hospitals.

I am very grateful to all our Trustees for their continued hard work and commitment to the work of the Trust, and their willingness to travel significant distances to attend our AGM. Special thanks go to Tim Trimble, our Treasurer, for his detailed work on our finances, to Jen Marston, our outgoing Secretary, for writing thank you letters to our

donors, and keeping in touch with our hospitals in Nepal, and to Gary Parkes for writing our Annual Newsletter.

Developments in Nepal

After the two devastating earthquakes in 2015 (April and May), Nepal spent much of 2016 trying to re-build infrastructure within the country. Of course this process is slow, and much still remains to be done, with remote poor areas of the country still largely untouched. Many who lost their houses are still living in precarious temporary dwellings made of corrugated metal, plastic tarpaulin and whatever materials they can salvage.

In February 2016, the Government lifted fuel rationing after the ethnic minority Madhesi communities, partially backed by India, ended a six-month border blockade in protest over the new constitution which they say is discriminatory. In July 2016 the Maoist party pulled out of the governing coalition. Prime Minister K P Oli resigned ahead of a no-confidence vote in parliament. In August 2016 the Parliament elected former communist rebel leader and Maoist party leader Pushpa Kamal Dahal, also known as Prachanda, as Prime Minister for the second time.

Nepal has a population of 28 million, and remains one of the poorest countries of the world. 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 very 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 2016 the Trust was able to make grants to the four UMN founded hospitals, and allied organisations, totalling £37,777 (plus £3,000 "earthquake relief"). Since the Trust started making grants in 2005, we have paid out £363,865.

Public Benefit

In compiling this report, the Trustees have given due regard to the public benefit guidance as issued by the Charity Commission. The Trustees believe that the work of the trust in providing free or subsidised health care to poor patients in Nepal where health care must be paid at point of delivery satisfies the public benefit requirement.

Review of Financial Position for the Year Ended 31 December 2016.

The accounts have been produced in a format designed to comply with the Charities Statement of Recommended Practice (SORP) with the Financial Reporting Standard (FRS), The Charities Act 2011 and The Companies Act 2006.

The Designated Fund generated interest of £23,306 in the year and will be distributed in 2017. The Interest in the Designated fund from the previous year of £23,549 was distributed in full during the year.

The General Fund generated interest of £14,599 in the year and will be distributed in 2017. Interest generated by the General Fund in the previous year of £14,226 was distributed in full during the year except for £1,800 for Amp Pipal withheld due to difficulties in transmitting funds. These will be sent in 2017.

A special appeal for earthquake victim support received £3,000 during the year which was distributed during the year.

Gift aid of £1,160 was received during the year.

The results for the year and the state of affairs as at 31 December 2016 are shown on pages 6 and 7 respectively.

Investment Policy

The market value of investments held by at 31 December 2016 was £794,534 (2015 £752,421) made up of £543,763 invested with St James's Place and £250,771 invested with CCLA as shown in note 2 to the accounts.

St James's Place managed funds are invested in a portfolio consisting about 62% 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 50% are Government Bonds.

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

Both investment funds meet the Trustees' ethical concerns and provide income. During 2016 the income from investments was £39,705 (2015: 37,776).

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 2017 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

10/6/17

Date

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

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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 2016, 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 Chartered Institute of 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:



Yuan Yuan

Fellow of Chartered Institute of Certified Accounts

32 The Glade, Stoneleigh, Epsom KT4 2HB

Date: 06/07/2017

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

Statement of Financial Activities

For the Year Ended 31 December 2016

	Notes	Designated Fund	General Fund	Total 2016	Total 2015
		£	£	£	£
Income					
Donations					
Trusts and foundations		3,000	1,000	1,000	3,500
Legacies		-	-	-	10,000
Individual donors		4,060	11,068	18,128	27,079
Gift aid on donations		-	1,160	1,160	1,062
Total Donations		7,060	13,228	20,288	41,391
Investment Income					
CCLA managed funds		6,169	3,864	10,033	10,035
St James's Place managed funds		17,137	10,735	27,872	27,741
Total Investment income		23,306	14,599	37,905	37,776
Total income		30,366	27,827	58,193	79,167
Expenditure on Charitable Activities					
Grants payable to Beneficiaries		26,306	14,599	40,905	48,053
Support costs		68	456	524	438
Total Expenditure		26,374	15,055	41,429	48,491
Net movement in funds for year		3,992	12,772	16,764	30,676
Reconciliation of funds					
Total funds brought forward		459,931	277,828	737,759	707,083
Total funds carried forward		463,923	290,600	754,523	737,759


UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST
Balance Sheet as at 31 December 2016

	Notes	2016 £	Total 2015 £
Current assets			
Investments at costs			
CCLA managed funds	2	237,446	237,446
St James's Place managed funds	2	509,671	489,671
		<u>747,117</u>	<u>727,117</u>
Cash at bank			
HSBC		15,901	29,031
CCLA deposit account		22,097	12,064
		<u>37,998</u>	<u>41,095</u>
Debtors			
4th Quarter interest on CCLA		2,491	6,828
4th Quarter interest on St James's Place		6,622	2,491
		<u>9,113</u>	<u>9,319</u>
Current Liabilities			
Creditors- less than one year			
Designated funds	3	23,306	23,550
General funds	3	16,399	16,222
		<u>39,705</u>	<u>39,772</u>
Net current assets/Liabilities		<u>754,523</u>	<u>737,759</u>
Fund Balances	2	<u>754,523</u>	<u>737,759</u>

The Financial Statements were approved by the Trustees on

10/6/2017.

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



UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

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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:

Designated funds - these represent grants and donations which are allocated by the Trustees for specific purposes.

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

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Notes to the Accounts

Note 2

Investments

	2016			2015		
	CCLA	St James's	Total	CCLA	St James's	Total
Investments at cost						
	£	£	£	£	£	£
1 January	237,446	489,671	727,117	197,446	489,681	687,117
Purchases	-	20,000	20,000	40,000	-	40,000
31 December	237,446	509,671	747,117	237,446	489,681	727,117

Investments at market value

	£	£	£	£	£	£
1 January	237,233	515,188	752,421	206,981	525,731	732,712
Purchases	-	20,000	20,000	40,000	-	40,000
Unrealised gains	13,538	8,575	22,113	(9,748)	(10,543)	(20,291)
31 December	250,771	543,763	794,534	237,233	515,188	752,421

Note 3

	Amp Pipal	Okhaldh-unga	Tansen	Patan	Total Designated	General Fund
Fund Balances	£	£	£	£	£	£
Opening Balances	140,186	94,669	143,594	81,482	459,931	277,828
Legacy	-	-	-	-	-	-
Trusts and Foundations	-	-	-	-	-	1,000
Donations received	-	250	3,760	50	4,060	11,068
Gift Aid-Tax rebate	-	-	-	-	-	1,160
Expenditure- bank charges	(17)	(17)	(17)	(17)	(68)	(456)
Closing Balances	140,169	94,902	147,337	81,515	463,923	290,600
	19%	13%	20%	11%	61%	39%
Summary	2016	2015				
	£					
Designated	463,923	459,931				
General	290,600	277,828				
Total Funds	754,523	737,759				

UNITED MISSION TO NEPAL HOSPITALS' ENDOWMENT TRUST

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Notes to the Accounts

Note 4

	Amp Pipal	Okhaldh-unga	Tansen	Patan	Earthquake Relief	Total Designated	General Fund
	£	£	£	£	£	£	£
Funds payable							
Opening Balances 1 Jan	7,178	4,847	7,352	4,172	-	23,549	14,226
Donations received in year	-	-	-	-	3,000	3,000	-
Grants paid in year	(7,178)	(4,847)	(7,352)	(4,172)	(3,000)	(26,549)	(14,226)
	-	-	-	-			-
Interest COIF	1,864	1,262	1,959	1,084	-	6,169	3,864
Corporate bonds Interest	5,178	3,506	5,443	3,011	-	17,137	10,735
2016 balance payable in 2017							1,800
Closing Balances 31 Dec	7,042	4,768	7,402	4,095	-	23,306	16,399

Summary

	2016	2015
	£	£
Designated	23,306	23,549
General	14,599	14,226
General 2016 balance	1,800	-
Total Funds payable	39,705	37,775