

# INTERNATIONAL NEPAL FELLOWSHIP

England & Wales · Charity number 1047178

## Details

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**Other names** I N F, INF, INF (UK), INF/UK

**Status** Registered

**Legal form** Charitable company

**Company number** [03060972](#)

**Registered** 1995-06-12

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** International Nepal Fellowship  
196-198 Edward Road  
Balsall Heath  
Birmingham  
B12 9LX

**Phone** 01214722425

**Email** [enquiries@inf.org.uk](mailto:enquiries@inf.org.uk)

**Website** [www.inf.org.uk](http://www.inf.org.uk)

## Activities

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**Objects:** to prevent poverty and relieve persons who are in need by reasons of poverty, sickness or distress in such ways as the Trustees may from time to time determine including supporting the work of Christian and other relief and development agencies; and 3.2 to advance the Christian faith by enabling Christians to serve Nepali and other Asian peoples and to uphold and strengthen the church in the United Kingdom, Nepal and other countries.

**Activities:** Health and development work with Nepal's government, non-government organisations and local communities

## Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups

## Geography

- **Area of benefit:** UK, NEPAL AND OVERSEAS
- Nepal

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£712,888	£958,517	£775,163	7
2024-06-30	£731,400	£846,403	£1,015,265	7
2023-06-30	£798,167	£939,600	£1,122,836	8
2022-06-30	£758,738	£876,401	£1,261,506	9
2021-06-30	£778,405	£587,928	£1,382,205	10

## Trustees

Name	Role	Appointed
Andrew Michael Lymer		2020-06-20
DIANE NORTON		2025-10-04
Deborah Angdembe		2023-06-10
Dr Andrew Cordell		2024-06-08
Dr Ian Smith		2020-03-21
Rosemary Louise Hart		2018-02-03
Stephen Paul Collins		2020-03-21

**INTERNATIONAL NEPAL FELLOWSHIP**

England & Wales - Charity number 1047178

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# Accounts

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# **INTERNATIONAL NEPAL FELLOWSHIP**

## **Annual Report and Audited Accounts Year ending 30 June 2025**

**International Nepal Fellowship is a registered charity (no. 1047178)**

We are a company limited by guarantee (no. 3060972), registered office at  
196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX

[www.inf.org.uk](http://www.inf.org.uk)

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## Chief Executive's Summary

Dear friends,

Every figure in this report represents a story — of resilience, partnership, and hope in Nepal. As I introduce my first Annual Report as Chief Executive, I'm reminded that these numbers are not just data; they reflect lives changed through collaboration and compassion. They also tell the story of some of the most marginalised communities in Nepal, and how they are improving health, creating opportunities, and bringing hope when disasters strike.

During my visits to Nepal later in 2025, I saw first-hand how INF UK's local partner organisations are leading this work with resilience and dedication. INF UK's role is to stand alongside them and the communities they work in — enabling, resourcing, and amplifying their efforts and impact.

The situation in Nepal has also been volatile in recent months, with demonstrations driven by a Gen Z movement disillusioned by widespread corruption which led to an overhaul of the government. Elections in spring 2026 may bring greater stability and a government focused on public service. Yet uncertainty and even disruption is still likely in the months ahead.

Communities also continue to face increased challenges compounded by climate pressures, migration, and economic strain. Global shifts are reducing development funds for Nepal, while rural families struggle to secure sustainable livelihoods. Climate change adds further risk, from unpredictable monsoons to glacial lake outbursts and landslides.

Thanks to the generosity of supporters and the leadership of my predecessor, John Reynolds, (Chief Executive for most of the year covered by this report), INF UK enters this new season in a relatively healthy financial position. However, we are seeing significant pressure on traditional income streams, alongside squeezed household budgets and sharply increasing competition for funds. These realities call for creativity and collaboration as we plan ahead.

My 25 years in international development and work alongside people with disabilities— from Jordan to Indonesia and Australia — have taught me that organisations like INF thrive when rooted in partnership and purpose. I come to INF with a deep commitment to learning about Nepal's culture, people, language and more.

As we look to the future, we will focus on strengthening partnerships in Nepal, diversifying income streams, and deepening our commitment to locally led development — ensuring INF UK remains a trusted and compassionate ally in a changing world. I lean on prayer and God's guidance, trusting that hope and faith will shape our next steps. Together with our partners, we will continue to serve those most excluded in Nepal.

Thank you for your support, your generosity, and your shared commitment to this work.



**Matthew Hanning**  
Chief Executive Officer, INF UK

The trustees present their report along with the audited financial statements of the charity for the year ended 30 June 2025.

Reference and administrative information set out on page 16 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (effective from January 2019).

## About INF UK

International Nepal Fellowship (INF) is Nepal's longest serving international NGO with more than seven decades of experience working with Nepal's poorest and most disadvantaged people and communities.

Today, INF in the UK is a forward-thinking and impactful organisation, fulfilling its charitable objectives and demonstrating public benefit by supporting programmes delivered by our Nepali partner organisations addressing key needs in healthcare, disability, community resilience, education, and emergency relief.

### OUR VISION

Life in all its fullness for Nepal's poor and disadvantaged people and communities.

### OUR MISSION

Supporting local Nepali communities and healthcare services, to improve health, reduce poverty, and promote social inclusion.

### OUR VALUES

- Love and compassion
- Inclusion and dignity
- Professional excellence

### OUR ETHOS

We are motivated by our Christian faith, showing active compassion for some of the world's poorest, and encouraging individuals and communities to access and enjoy their rights is a holistic expression of our values.

We believe all people are equal, and so inclusion and dignity are very important to us, irrespective of gender, sexual orientation, religious belief, disability, economic status, caste, or any other feature.

### DEMONSTRATING PUBLIC BENEFIT

When deciding its priorities, trustees consider how these will further the charity's purposes for the public benefit. Trustees take account of The Charity Commission's general guidance on public benefit, its supplemental advice on the prevention and relief of poverty, and advancement of religion for public benefit.

INF UK's CEO and Programmes Manager visited several partners and projects during the year and also met with board members and the senior leadership team of INF Nepal (INFN), its primary partner. Numerous video-conferencing meetings were also held between INF UK senior staff and our Nepali partners to supplement project reporting and other regular communications.

## Partners in Nepal

We work through a small number of like-minded partners who share our vision and values. During the past year, these local NGOs in Nepal were:

**INF Nepal (INFN):** As a member of the international INF family, our primary strategic partner is INF Nepal, a locally-registered NGO based in Pokhara. Through this relationship we have supported INF's three hospitals in Pokhara, Surkhet and Banke, as well as major development projects serving remote communities in western districts. This has included helping disadvantaged people become more resilient to major threats to their livelihoods, such as climate change and natural disasters.

**Asal Chhimekee Nepal (ACN):** The social action arm of the Pokhara Christian Community (PCC), a grouping of 60-plus churches based in the Pokhara area, ACN's name translates as 'Good Neighbour Nepal'. ACN has valuable expertise in helping communities respond to natural disasters, working in conjunction with municipal authorities, and will often also mobilise networks of local churches to support disaster relief activities. We have also supported aspects of ACN's community development work serving marginalised people.

**Group of Helping Hands (SAHAS) Nepal:** A Kathmandu-based NGO with experience of helping rural communities develop in the poorest parts of Nepal. Our partnership with SAHAS is focused on a project in an eastern district of the Terai plains which is not covered by our other partners.

**United Mission to Nepal (UMN):** Another long-standing and highly respected Christian development organisation, UMN has also been serving in Nepal since the 1950s. Our partnership is currently focused on UMN's experience with education projects in Nepal.

**Sarwangin Sewa Samaj (SSS):** A volunteer-led organisation in Nepalgunj, supporting very poor patients and their carers at the Bheri Zonal Hospital with essential needs that would otherwise not be met.

## Programmes in Nepal

During the past year our partners have delivered significant work towards our shared vision of fullness of life for Nepal's most disadvantaged people and communities.

This report gives a taste of programmes in Nepal funded by INF UK supporters and donors during 2024-25 – from INF Nepal's three hospitals and community health projects, to disaster relief to help people recover from floods, landslides and earthquakes. Furthermore, multi-year projects in remote communities are helping strengthen livelihoods against threats such as poverty and climate change, as well as improve the quality of education.

Our full annual Impact Report can be found at [www.inf.org.uk/report](http://www.inf.org.uk/report) or requested by contacting the INF UK office.

## Healthcare

### Green Pastures Hospital, Pokhara

Green Pastures Hospital provides comprehensive care, including diagnosis, treatment, and rehabilitation for people with disabilities in western Nepal.

INF UK supporters helped provide some new equipment – a portable x-ray machine, and a patient monitor. These items are already helping improve patient care and support the expertise of our INF’s committed hospital staff.

#### **Towards Zero Leprosy (INF Nepal)**

Green Pastures delivers excellence in compassionate care for people affected by leprosy. This project is part of longer-term plans to eradicate leprosy in Nepal by 2030 – that means zero infection, zero disability, and zero stigma – in tandem with the aims of the World Health Organisation and the Government of Nepal.

Awareness raising, new diagnoses, contact tracing, and developing the expertise of government health posts are all part of this work. During the year, 980 people receive outpatient support at Green Pastures and 263 people were admitted for inpatient treatment.

#### **Medical Charity Fund**

INF provide support for poor and marginalised people who are unable to afford the cost of healthcare. This year, 385 patients were helped by the Medical Charity Fund following a socio-economic assessment by our Social Services department. Support included providing assistive devices, surgical procedures, and rehabilitation to prepare for life at home.

#### **Greenhouse, courtyard, and safe farming field**

New facilities to support the rehabilitation of leprosy patients opened in early 2024, but work continued on the establishment of these new services throughout the remainder of the year. This extensive outdoor area includes a wheelchair accessible courtyard, a greenhouse, and a safe farming field. It not only supports patients’ holistic rehabilitation while at Green Pastures but also gives them skills to use when back at home.

## Surkhet

### Shining Hospital, Surkhet (INF Nepal)

A new Children’s Inpatient Care Ward was developed at INF’s Shining Hospital in Surkhet district. This 5-bed ward has modern therapy tools and child-friendly decoration to create a welcoming environment.

This will improve medical care and therapy for children, supporting their wellbeing and recovery in Surkhet.

INF UK supporters also helped fund a new home modification and wheelchair training zone in the hospital grounds, to help patients adapt for important daily tasks and to enhance mobility.

### **Medical Charity Fund**

Shining Hospital Surkhet is a rehabilitation centre for people living in Karnali province in western Nepal. The Medical Charity Fund is available for patients who are unable to afford the cost of any type of treatment at the hospital following a socio-economic assessment. Over the course of the year, a total of 89 individuals benefited from the Medical Charity Service, receiving vital healthcare support despite financial challenges.

### **Fistula Centre, Surkhet (INF Nepal)**

INF UK continues to support the work of Dr Shirley Heywood MBE, a British gynaecological surgeon who leads the team at the Fistula Centre which opened in 2019.

## **Banke**

### **Shining Hospital, Banke (INF Nepal)**

INF UK also contributed to the vital services for people affected by leprosy in Banke and surrounding districts in the western part of the Terai plains. This is part of the country where leprosy is more prevalent than many hilly districts, so developing this hospital as a hub for supporting people with leprosy across western Nepal is a vital part of INF's healthcare provision.

As the hospital has been open for almost a decade, we also supported the development of the buildings and physical infrastructure. Upgrades included a new covered patient waiting area, internal and external painting of building, maintenance of a solar power back-up system, and construction of a drainage system.

### **Sarwangin Sewa Samaj, Banke (SSS)**

SSS provides patient support, advocacy, counselling and fellowship for the most poverty-affected people needing medical treatment at Bheri Zonal Hospital in the city of Nepalgunj, Banke district. It also runs a hostel providing accommodation and food for patients and their caregivers.

## **Community Health**

### **Access and Inclusion, Surkhet (INF Nepal)**

INF Nepal's work in Surkhet district is not limited to the work of Shining Hospital. This project is improving health outcomes for people with disabilities, supporting access to social protection measures, skills development, and work opportunities – bringing economic benefits to families and communities. During the third year of this project, achievements also included making disability-friendly modifications at 9 health posts and 12 schools, to help make healthcare and education more accessible for all.

### **Rights and Inclusion, Bardiya and Kailali (INF Nepal)**

This new project began in December 2024, to empower people affected by leprosy, people with disabilities, and disaster-prone communities. This will include engaging with government bodies and strengthening local implementation of policies that protect their rights.

By addressing social, economic, and policy-related barriers, this project will contribute to greater independence, dignity, and inclusion, enabling people to fully exercise their rights and actively participate in society.

## **Resilient Communities**

### **Inclusive Development, Empowerment and Livelihood (IDEAL), Bajura (INF Nepal)**

This project aims to sustainably improve the quality of life for communities in this remote district of western Nepal – improving inclusion for marginalised groups, increasing food security, and making healthcare more accessible.

All 90 self-help groups are identifying local issues, creating action plans, and implementing community development activities. Out of 694 self-help group members, 687 women have improved their financial access through savings and income generating activities. Also, through regular network meetings and SHG support, 110 PWDs are actively involved in local decision-making bodies.

### **Building Resilience through Empowerment on Adaptability against Disaster Risks and Climate Change (BREAD), Kalikot (INF Nepal)**

This project continues INF Nepal’s commitment to people living in the remote western district of Kalikot. It has a focus on improving people’s livelihoods by strengthening their resilience and capacity to adapt to climate change and disaster risks.

By the end of 2024, 45 self-help groups had been formed to share resources and support income-generating activities. Other significant achievements include the establishment of nine model farms, enhanced food security, and increased incomes for farmers.

### **Asha: Adolescent-led Resilient Livelihoods, Siraha (SAHAS Nepal)**

The project has been empowering 191 teenage girls from marginalised low-caste families in Siraha district to become change-makers and improve living standards for them and their families.

The total number of low-caste Dalit families directly benefitting from this project in the Arnama Rural Municipality is 522. Of these, 147 are landless, and the remaining are smallholders.

### **Resilient, Inclusive, Sustainable Development (RISE), Bajura (INF Nepal)**

This project began in late 2024 to enhance the resilience of vulnerable households, particularly women and girls, against the adverse effects of climate change. It works through 74 farmer groups, community forest user groups, schools, drinking water user committees, and disaster risk reduction committees – all

to drive transformative change, create sustainable agricultural practices, and develop diversified sources of income generation.

## Education

### **School Education Enhancement, East Rukum (UMN)**

This project aims to improve access to quality education in 20 schools in rural Nepal. The particular focus is on girls, children with disabilities, and marginalised families. The first year has begun to address major causes of poor-quality education: a lack of inclusive child-friendly environments, poor governance capacity, lack of teacher training, low interest in school education, lack of awareness of parents in children's education, and rampant practices of harmful social practices.

## Emergency Relief

### **Monsoon 2024 response, various districts (ACN)**

Relief work carried out by ACN in the early part of Nepal's 2024 monsoon season across various districts included responding after a landslide in Baglung district left 70 families with fully or partially damaged homes or at risk of further landslides. ACN's work has also helped monsoon-affected families in Kaski, where they distributed tin sheets to 26 families after landslides and the Seti River burst its banks in the Pokhara area. Additionally, they provided materials to help rebuild a damaged school in Myagdi, gave temporary shelters to 60 families in Rukum, and a team went to support 64 families in Badhigadh.

Heavy rain during the last few days of September caused many fatalities and widespread damage across Nepal. ACN helped 410 families and 300 new mothers in Nawalparasi and Rautahat districts, which experienced severe flooding. Homes were inundated with floodwater and many people lost vital crops which they rely on for food and livelihoods.

### **Jajarkot earthquake recovery (INF Nepal)**

Following a significant earthquake that affected parts of Nepal in November 2023, INF Nepal initiated a project to support the recovery and reconstruction of affected communities in Jajarkot district. In its first year, the project successfully established a strong foundation for project implementation, with strong coordination and collaboration with the local government, community members, and other stakeholders.

## Capital projects

### **Community Service Centre, Pokhara (PCC and ACN)**

We remain committed to the plans of ACN and the Pokhara Christian Community to build a new Community Service Centre, which has continued to progress through the design and planning phases. This did not involve any INF UK financial commitment or expenditure this year, though we are holding substantial designated funds in our accounts ahead of construction which is due to start in 2026.

## Safeguarding

INF UK believes that all people have a right to feel safe and valued, and to live their lives free from coercion, modern slavery, sexual violence, harassment, and abuse. We seek to proactively encourage a culture where issues and concerns about safeguarding are raised and discussed, and where we provide a safe environment for all people that the organisation engages with.

The INF UK Board of Trustees is responsible for holding INF UK accountable for compliance with UK safeguarding law and best practice and ensuring that our partners are also following safeguarding policy and practice. The Board understands its legal duty to be accountable and responsible for Safeguarding for all persons who represent, support or benefit from the operations of INF UK. The Board appoints one of its members as a Safeguarding Lead Trustee, for a term of three years. The current Safeguarding Lead Trustee is Rosie Hart.

Safeguarding is a fixed agenda item for all Board meetings and any concerns or issues are discussed by the CEO and the Safeguarding Lead Trustee as and when they arise and actioned as appropriate. During the 2024-25 year there were no safeguarding concerns raised.

## Financial Activities of the Charity

### Summary

During 2024-25, total incoming resources were £712,888 (2024: £731,400). Most of its funds are sourced from private individuals, trusts and churches.

Total expenditure was £958,517 (2024: £846,403).

Expenditure during the year was higher than income as budgeted, due to the planned use of unrestricted and designated reserves for programmes in Nepal.

### Funds

#### *(a) General Fund*

Total unrestricted income for the General Fund was £422,174 (2024: £417,914).

This was mainly made up of general donations, legacy income, and investment income.

#### *(b) Programmes in Nepal*

This is income for the work in Nepal. Income was £290,714 (2024: £313,486).

The fundraising environment continues to bring significant challenges for the core income streams of trusts, foundations, and individual giving, so income was lower than the previous year.

## Reserves

### (a) Unrestricted reserves

- i. Operating reserve: The policy of the board of trustees is to hold 6 months of the budgeted annual costs of INF UK in a designated Operating Reserve, to cover unforeseen events.
- ii. Nepal programmes reserve: The trustees also designated some of its General Reserves in support of its Programmes Fund. This underpins its commitment to additional programmes in Nepal and enables the charity to commit to partner projects which help towards its objectives.
- iii. Strategic development fund: The trustees have designated some of the charity's General Reserves towards its growth plans. This designated fund will cover anticipated shortfalls on its General Fund over the coming years, including investment in additional outsourced fundraising resource ahead of making any longer-term staffing commitments.

The total of unrestricted funds held as at 30 June 2025 is as follows:

Unallocated General Funds	£46,895
Designated: Future Growth	£113,233
Designated: Programmes	£359,618
Designated: Operating Reserve	£214,000
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>£733,746</b>

### (b) Restricted reserves

These are funds held on behalf of a project, or for a restricted purpose.

The charity raises funds to support its partners' programmes and projects, primarily from individuals, trusts and foundations. These funds are managed and paid to partners under Memorandums of Understanding (MoUs) signed between the charity and its partners. An MoU will reference the plans and budgets upon which an agreement has been made, and it will also contain a reporting and payment schedule. Payments are normally paid against a report from a partner detailing the work completed against its plans and money spent against the previously submitted budget. MoUs normally cover a period of 1-3 years. Funds received by the charity for a partner's project, but not yet guaranteed for payment, are held as restricted funds in the charity's accounts until firm commitments are made.

The total value of restricted funds held as 30 June 2025 was £41,417 (2024: £225,009).

## Investment policy

The trustees have the power to invest in such assets as they see fit. Safety of the charity's assets is an important factor for the board and consequently most of its reserves are held in cash at long-established banks. There are plans to review this position next year.

## Events after the reporting period

None.

## Charity details

International Nepal Fellowship (also known as INF UK) is a registered charity (number 1047178) and a company limited by guarantee (number 03060972).

The company's registered address is: 196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX.

# Structure, governance, and management

## Governing document

INF UK is a company limited by guarantee and it is also a Charity registered with the Charity Commission of England and Wales. It is governed by its Articles of Association that were updated in March 2020. There are currently eight members of the company, each of whom agrees to contribute £1 in the event of the charity winding up.

## Appointment of trustees

New trustees are recruited through a mix of advertising (through INF publications) and direct approach by the trustees.

The charity's policy is that trustees serve for a maximum period of ten years before standing down for a minimum of one year. This, together with a natural turnover of trustees, ensures new trustees are appointed on a regular basis.

The Chair manages the overall trustee composition proactively to ensure a balance of skills and experience is maintained. The Board has made a recent commitment to increase diversity, including gender equity, plus increased representation of Nepalis and people with disabilities. The make-up of the board is considered when appointing new trustees.

## Trustee induction and training

New trustees undergo an induction programme which includes a history of INF UK and its work, a copy of its accounts, its Articles of Association, and key internal documents including INF UK's strategic plan. Once appointed, trustees continue to receive training during trustee meetings and their contribution is reviewed by the Chair of Trustees.

## Organisation

The board of trustees administers the charity and is responsible for the overall direction of the organisation and the policies that govern the way the organisation functions. The trustees meet a minimum three times a year, one of which is a two-day meeting, with additional meetings as needed.

Responsibility for the day-to-day leadership and management of the charity is delegated to the Chief Executive Officer (CEO) who is appointed by the trustees and is responsible for achieving the charity's strategic goals. To facilitate effective operations, the CEO has delegated authority, within

terms of delegation approved by the trustees, for all operational matters including finance and employment. The CEO is line-managed by the Chair on behalf of the trustees.

This year, Matthew Hanning was appointed as CEO by the board of trustees in May 2025 after a robust recruitment process, following the retirement of John Reynolds.

### **Related parties and co-operation with other organisations**

None of the trustees receive remuneration or other benefits from their work with the charity. Any connection between a trustee or senior manager of the charity with any supplier or beneficiary must be disclosed to the full board of trustees, similarly for any other contractual relationship with a related party. In the current year no such related party transactions were reported.

While INF UK's principal partner is INFN, there are no voting or appointment rights or any other form of control over it, or by it of INF UK.

### **Pay policy for senior staff**

All trustees give of their time freely and no trustee received a remuneration in the year. Details of trustee expenses and any related party transactions are disclosed in note 6 to the accounts.

The pay of senior staff is reviewed annually and benchmarked against pay levels in charities of a similar size and complexity.

### **Risk management**

The trustees have a risk management strategy:

- i. A regular review is undertaken by the trustees of principal risks and uncertainties that the charity faces. Critical risks are identified and included in the board's risk register dashboard, which is reviewed at each meetings of the Finance and General Purposes Committee, and escalated to the full board as necessary.
- ii. The CEO regularly scans the charity's environment and attends regular development sector meetings under the auspices of BOND, a UK network for organisations working in international development, and other entities.
- iii. The charity is acutely aware of the cumulative impact that disruptive events over the past few years on its environment and work. Initially it was the impact of COVID, which was superseded by the war in Ukraine, the cost-of-living crisis, and more recent geo-political changes and their impact on the development landscape. The charity is well structured financially to meet these continuing challenges.
- iv. The charity is also aware of the risks faced by its partners in Nepal and the CEO maintains close contact with the leadership teams of its partners to keep abreast of the risks they are facing.
- v. The charity has established policies, systems, and procedures to mitigate risks identified in its reviews.

### **Small company provisions**

The trustees' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption provided by section 408 and section 414B (b) of the Companies Act 2006.

## Voluntary help and gifts in kind

The trustees are very grateful to a number of volunteers who have helped in various aspects of our work during the past year.

## Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have 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 charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

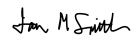
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

## **Auditors**

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 21 January 2025 and signed on their behalf by:



Dr Ian Smith – Chair

## International Nepal Fellowship

### Reference and administrative details

#### For the year ended 30 June 2025

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<b>Company number</b>	03060972
<b>Charity number</b>	1047178
<b>Registered office and operational address</b>	196-198 Edward Road Balsall Heath Birmingham B12 9LX
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Vijiya Adhikari resigned 6 October 2024 Deborah Angdembe Stephen Collins Dr Andrew Cordell Rosemary Hart Professor Andrew Lymer Treasurer David McConkey resigned 6 October 2024 Diane Norton appointed 4 October 2025 Dr Ian Smith Chair, appointed 5 October 2024 Michael Thomas Chair until 5 October 2024; resigned 6 October 2024
<b>Company secretary</b>	Mr Matthew Hanning appointed 20 May 2025 Mr John Reynolds resigned 9 June 2025
<b>Chief executive officer</b>	Mr Matthew Hanning appointed 19 May 2025 Mr John Reynolds retired 30 June 2025
<b>Bankers</b>	Bank of Scotland 33 Old Broad Street London EC2N 1HW
<b>Solicitors</b>	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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#### **Opinion**

We have audited the financial statements of International Nepal Fellowship (the 'charity') for the year ended 30 June 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Independent auditors' report**

### **To the members of**

#### **International Nepal Fellowship**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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#### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

## **Independent auditors' report**

**To the members of**

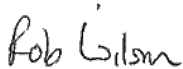
### **International Nepal Fellowship**

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Date: 22 January 2026

**Robert Wilson FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:

**GODFREY WILSON LIMITED**

Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

**International Nepal Fellowship**

**Statement of financial activities** (incorporating an income and expenditure account)

**For the year ended 30 June 2025**

	Note	Restricted £	Unrestricted £	2025 Total £	Restated 2024 Total £
<b>Income from:</b>					
Donations and legacies	3	290,714	406,497	<b>697,211</b>	711,055
Investments	4	-	15,677	<b>15,677</b>	20,345
<b>Total income</b>		<u>290,714</u>	<u>422,174</u>	<u><b>712,888</b></u>	<u>731,400</u>
<b>Expenditure on:</b>					
Raising funds		-	167,819	<b>167,819</b>	137,915
Charitable activities		545,027	245,671	<b>790,698</b>	708,488
<b>Total expenditure</b>	6	<u>545,027</u>	<u>413,490</u>	<u><b>958,517</b></u>	<u>846,403</u>
Net gains on investments		-	5,527	<b>5,527</b>	7,432
<b>Net income / (expenditure)</b>		(254,313)	14,211	<b>(240,102)</b>	(107,571)
Transfers between funds		70,721	(70,721)	-	-
<b>Net movement in funds</b>	7	(183,592)	(56,510)	<b>(240,102)</b>	(107,571)
<b>Reconciliation of funds:</b>					
Total funds brought forward		225,009	790,256	<b>1,015,265</b>	1,122,836
<b>Total funds carried forward</b>		<u>41,417</u>	<u>733,746</u>	<u><b>775,163</b></u>	<u>1,015,265</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the accounts.

Prior period expenditure has been reclassified to reflect the requirements of the Charities SORP (FRS 102) and to be comparable with the current year. The restatements are purely reclassifications of income and expenditure and do not affect net income.

## International Nepal Fellowship

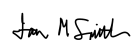
### Balance sheet

As at 30 June 2025

	Note	£	2025 £	2024 £
<b>Fixed assets</b>				
Tangible assets	11		1,475	627
Investments	12		<u>60,374</u>	<u>54,847</u>
			<b>61,849</b>	55,474
<b>Current assets</b>				
Debtors	13	169,171		20,565
Current asset investments	14	560,682		745,426
Cash at bank and in hand		<u>157,557</u>		<u>282,115</u>
		<b>887,410</b>		1,048,106
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	15	<u>(174,096)</u>		<u>(88,315)</u>
<b>Net current assets</b>			<u>713,314</u>	<u>959,791</u>
<b>Net assets</b>	17		<u>775,163</u>	<u>1,015,265</u>
<b>Funds</b>	18			
Restricted funds			41,417	225,009
Unrestricted funds				
Designated funds			686,851	581,475
General funds			<u>46,895</u>	<u>208,781</u>
<b>Total charity funds</b>			<u>775,163</u>	<u>1,015,265</u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 21 January 2026 and signed on their behalf by



Ian Smith - Chair

## International Nepal Fellowship

### Statement of cash flows

For the year ended 30 June 2025

	2025 £	2024 £
<b>Cash used in operating activities:</b>		
Net movement in funds	(240,102)	(107,571)
<i>Adjustments for:</i>		
Depreciation charges	706	826
Gains on investments	(5,527)	(7,432)
Investment income	(15,677)	(20,345)
(Increase) / decrease in debtors	(148,606)	21,881
Increase / (decrease) in creditors	<u>85,781</u>	<u>(59,025)</u>
<b>Net cash used in operating activities</b>	<u>(323,425)</u>	<u>(171,666)</u>
<b>Cash flows from investing activities:</b>		
Investment income	15,677	20,345
Purchase of tangible fixed assets	<u>(1,554)</u>	<u>-</u>
<b>Net cash provided by investing activities</b>	<u>14,123</u>	<u>20,345</u>
<b>Decrease in cash and cash equivalents in the year</b>	<b>(309,302)</b>	<b>(151,321)</b>
Cash and cash equivalents at the beginning of the year	<u>1,027,541</u>	<u>1,178,862</u>
<b>Cash and cash equivalents at the end of the year</b>	<u><b>718,239</b></u>	<u><b>1,027,541</b></u>
<b>Total cash and cash equivalents comprise:</b>		
Current asset investments	560,682	745,426
Cash at bank and in hand	<u>157,557</u>	<u>282,115</u>
<b>Cash and cash equivalents at the end of the year</b>	<u><b>718,239</b></u>	<u><b>1,027,541</b></u>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2025

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#### 1. Accounting policies

##### a) General information and basis of preparation

International Nepal Fellowship is a charitable company limited by guarantee registered in England and Wales. The registered office address is 196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Nepal Fellowship meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

##### b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

##### c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

##### d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2025

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#### 1. Accounting policies (continued)

##### e) Funds accounting

Unrestricted funds are funds available for use at the discretion of the trustees to further the charity's purposes. Designated funds are unrestricted funds that the trustees have earmarked for specific strategic purposes. At 30 June 2025, these include:

- i. Operating Reserve – to ensure INF UK can maintain core operations for a minimum of six months in the event of unforeseen circumstances.
- ii. Nepal Programmes Reserve – to honour grant commitments to Nepali partners for agreed projects in the coming year.
- iii. Strategic Development Fund – to invest in innovation, programme expansion, and organisational resilience in line with INF UK's new strategy.

Restricted funds are donations or grants that donors have specified must be used for particular areas of the charity's work or specific projects.

##### f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### g) Grants payable

Grants payable are recognised as expenditure when the commitment is entered into. Where such a grant is to be paid over instalments, the outstanding balance is recognised as a liability to the extent that a legal or constructive obligation exists.

##### h) Allocation of support and governance costs

Support costs are the costs incurred by UK-based staff, directly providing support for the staff and programmes based in Nepal. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff costs, as follows:

	2025	2024
Raising funds	17.5%	16.3%
Charitable activities	82.5%	83.7%

##### i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	3 years straight line
--------------------	-----------------------

Items of equipment are capitalised where the purchase price exceeds £1,000.

##### j) Investments

Investments are valued at market value in accordance with the SORP. Changes in value during the period are reported as gains/losses in investment assets in the SOFA.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2025

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#### 1. Accounting policies (continued)

##### k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### l) Current asset investments

Current asset investments consist of cash held on deposit in interest bearing accounts with a maturity date of between 3 and 12 months. Such investments are measured at their fair value.

##### m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

##### n) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### o) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### p) Pension costs

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. There are no further liabilities other than that already recognised in the SOFA.

##### q) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Exchange differences are recognised in the SOFA.

##### r) Operating leases

Payments made under operating leases are charged on a straight line basis over the term of the lease.

##### s) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2025

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#### 1. Accounting policies (continued)

##### s) Accounting estimates and key judgements (continued)

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

##### Depreciation

As described in note 1i to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

#### 2. Prior period comparatives: statement of financial activities (restated)

	Restricted £	Unrestricted £	2024 Total £
<b>Income from:</b>			
Donations and legacies	313,486	397,569	<b>711,055</b>
Investments	-	20,345	<b>20,345</b>
<b>Total income</b>	<b>313,486</b>	<b>417,914</b>	<b>731,400</b>
<b>Expenditure on:</b>			
Raising funds	-	137,915	<b>137,915</b>
Charitable activities	541,093	167,395	<b>708,488</b>
<b>Total expenditure</b>	<b>541,093</b>	<b>305,310</b>	<b>846,403</b>
Net losses on investments	-	7,432	<b>7,432</b>
<b>Net income / (expenditure) and net movement in funds</b>	<b>(227,607)</b>	<b>120,036</b>	<b>(107,571)</b>

#### 3. Income from donations and legacies

	Restricted £	Unrestricted £	2025 Total £
Donations for partners' programmes and projects	268,008	-	<b>268,008</b>
Volunteer worker support fund	22,706	-	<b>22,706</b>
General donations	-	234,349	<b>234,349</b>
Legacy income	-	172,148	<b>172,148</b>
<b>Total income from donations and legacies</b>	<b>290,714</b>	<b>406,497</b>	<b>697,211</b>

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2025

#### 3. Income from donations and legacies (continued)

##### Prior period comparative:

	Restricted £	Unrestricted £	2024 Total £
Donations for partners' programmes and projects	291,782	-	291,782
Volunteer worker support fund	21,704	-	21,704
General donations	-	237,678	237,678
Legacy income	-	159,891	159,891
<b>Total income from donations and legacies</b>	<b>313,486</b>	<b>397,569</b>	<b>711,055</b>

#### 4. Investment income

	<b>2025 Total £</b>	2024 Total £
Bank interest	<b>15,677</b>	20,279
Dividends	-	66
	<b>15,677</b>	<b>20,345</b>

Investment income was unrestricted in the current and prior year.

#### 5. Government grants

The charitable company receives government grants, defined as funding from the Department for Work and Pensions to fund charitable activities. The total value of such grants in the period ending 30 June 2025 was £9,274 (2024: £10,092). There are no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

**International Nepal Fellowship**

**Notes to the financial statements**

**For the year ended 30 June 2025**

**6. Total expenditure**

	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2025 Total £
Grants payable (note 8)	-	468,205	-	-	<b>468,205</b>
Volunteer workers support costs	-	5,035	-	-	<b>5,035</b>
Website, CRM and outsourced services	40,158	-	8,608	-	<b>48,766</b>
Fundraising expenses	15,946	-	-	-	<b>15,946</b>
Communication costs	-	-	28,675	-	<b>28,675</b>
Personnel costs (note 9)	56,388	56,778	214,599	-	<b>327,765</b>
Premises and office costs	-	-	15,949	-	<b>15,949</b>
Finance, legal and professional	-	-	9,739	29,573	<b>39,312</b>
Depreciation	-	-	706	-	<b>706</b>
Trustee expenses	-	-	-	7,068	<b>7,068</b>
Exchange (gains) / losses	-	-	1,090	-	<b>1,090</b>
<b>Sub-total</b>	112,492	530,018	279,366	36,641	<b>958,517</b>
Allocation of support and governance costs	55,327	260,680	(279,366)	(36,641)	-
<b>Total expenditure</b>	<b>167,819</b>	<b>790,698</b>	<b>-</b>	<b>-</b>	<b>958,517</b>

**International Nepal Fellowship**

**Notes to the financial statements**

**For the year ended 30 June 2025**

**6. Total expenditure**

<b>Prior period comparative (restated):</b>	Raising funds £	Charitable activities £	Support costs £	Governance costs £	<b>2024 Total £</b>
Grants payable (note 8)	-	413,172	-	-	<b>413,172</b>
Volunteer workers support costs	-	5,394	-	-	<b>5,394</b>
Website, CRM and outsourced services	36,337	-	7,904	-	<b>44,241</b>
Fundraising expenses	7,657	-	-	-	<b>7,657</b>
Communication costs	-	-	8,722	-	<b>8,722</b>
Personnel costs (note 9)	46,273	45,148	238,307	-	<b>329,728</b>
Premises and office costs	-	-	15,193	-	<b>15,193</b>
Finance, legal and professional	-	-	8,088	9,720	<b>17,808</b>
Depreciation	-	-	826	-	<b>826</b>
Trustee expenses	-	-	-	3,704	<b>3,704</b>
Exchange (gains) / losses	-	-	(42)	-	<b>(42)</b>
<b>Sub-total</b>	90,267	463,714	278,998	13,424	<b>846,403</b>
Allocation of support and governance costs	47,648	244,774	(278,998)	(13,424)	-
<b>Total expenditure</b>	<b>137,915</b>	<b>708,488</b>	-	-	<b>846,403</b>

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2025

#### 7. Net movement in funds

This is stated after charging:

	2025	2024
	£	£
Depreciation	706	826
Operating lease payments	6,900	7,410
Trustees' remuneration	Nil	Nil
CEO search	19,373	Nil
Trustees' reimbursed expenses	7,068	3,704
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	<u>8,500</u>	<u>8,100</u>

Trustees' reimbursed expenses relate to board meeting expenses incurred by 7 trustees (2024: 7 trustees).

Governance expenditure was higher than in the previous year due to the one-off costs associated with the recruitment of a new Chief Executive Officer following the retirement of the former post-holder. To ensure a thorough and effective process, the trustees engaged an external recruitment consultant, and the related fees are reflected within governance costs for the year.

#### 8. Grants payable to partners

	2025	2024
	£	£
INF Nepal	338,132	295,771
Asal Chhimekee Nepal (ACN)	27,000	30,517
Group of Helping Hands (SAHAS) Nepal	36,722	39,580
Sarwangin Sewa Samaj	12,117	8,600
United mission to Nepal	55,000	45,000
Other one-off grants	<u>2,000</u>	<u>442</u>
Total grants committed in the period	470,971	419,910
Grants written back from prior periods	<u>(2,766)</u>	<u>(6,738)</u>
<b>Total grant expenditure</b>	<b><u>468,205</u></b>	<b><u>413,172</u></b>

All grants are paid to fund charitable activities in Nepal. The grants shown above do not include any support cost allocations.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2025

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#### 9. Staff costs and numbers

Staff costs were as follows:

	<b>2025</b>	2024
	£	£
Salaries and wages	<b>248,409</b>	260,501
Social security costs	<b>18,515</b>	20,799
Pension costs	<b>24,946</b>	25,452
Courses, travel and other	<b>35,895</b>	22,976
	<b><u>327,765</u></b>	<u>329,728</u>

No employee earned more than £60,000 during the year (2024: none).

The key management personnel of the charitable company comprise the Trustees and Chief Executive Officer (2024: Trustees and Chief Executive Officer). The total employee benefits of the key management personnel including gross wages, employer's national insurance and pension contributions were £81,477 (2024: £68,853).

There were no redundancy or termination costs in the current year. In the prior year salaries and wages include redundancy and termination costs totalling £2,704. Redundancy and termination costs have been funded from unrestricted general funds (note 17).

	<b>2025</b>	2024
	No.	No.
Average head count	<b><u>7.17</u></b>	<u>7.25</u>

#### 10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2025

<b>11. Tangible fixed assets</b>		<b>Computer equipment £</b>
<b>Cost</b>		
At 1 July 2024		5,832
Additions in year		<u>1,554</u>
At 30 June 2025		<u>7,386</u>
<b>Depreciation</b>		
At 1 July 2024		5,205
Charge for the year		<u>706</u>
At 30 June 2025		<u>5,911</u>
<b>Net book value At 30 June 2025</b>		<u><u>1,475</u></u>
At 30 June 2024		<u><u>627</u></u>
<b>12. Investments</b>		
	<b>2025</b>	2024
	£	£
Market value 1 July	54,847	47,415
Unrealised gains	<u>5,527</u>	<u>7,432</u>
<b>Market value at 30 June</b>	<u><u>60,374</u></u>	<u><u>54,847</u></u>
<b>13. Debtors</b>		
	<b>2025</b>	2024
	£	£
Gift aid receivable	9,323	6,298
Prepayments	16,969	9,437
Accrued income	132,221	4,830
Other debtors	<u>10,658</u>	<u>-</u>
	<u><u>169,171</u></u>	<u><u>20,565</u></u>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2025

<b>14. Current asset investments</b>				
			<b>2025</b>	2024
			£	£
Cash equivalents held on deposit			<u><b>560,682</b></u>	<u>745,426</u>
<b>15. Creditors: amounts falling due within 1 year</b>				
			<b>2025</b>	2024
			£	£
Grant commitments (note 16)			<b>138,236</b>	54,253
Accruals			<b>31,047</b>	29,194
Other taxation and social security			<u><b>4,813</b></u>	<u>4,868</u>
			<u><b>174,096</b></u>	<u>88,315</u>
<b>16. Grants commitments</b>				
			<b>2025</b>	2024
			£	£
Grant commitments brought forward			<b>54,253</b>	120,754
Grants committed during the period (note 8)			<b>470,971</b>	419,910
Grants written back in the period (note 8)			<b>(2,766)</b>	(6,738)
Grants paid during the period			<u><b>(384,222)</b></u>	<u>(479,673)</u>
<b>Grant commitments carried forward</b>			<u><b>138,236</b></u>	<u>54,253</u>
<b>17. Analysis of net assets between funds</b>				
	Restricted funds £	Designated funds £	General funds £	<b>Total funds £</b>
Tangible fixed assets	-	-	1,475	<b>1,475</b>
Investments	-	60,374	-	<b>60,374</b>
Net current assets	<u>41,417</u>	<u>626,477</u>	<u>45,420</u>	<u><b>713,314</b></u>
<b>Net assets at 30 June 2025</b>	<u><b>41,417</b></u>	<u><b>686,851</b></u>	<u><b>46,895</b></u>	<u><b>775,163</b></u>
<b>Prior period comparative</b>	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	627	627
Investments	-	54,847	-	54,847
Net current assets	<u>225,009</u>	<u>526,628</u>	<u>208,154</u>	<u>959,791</u>
<b>Net assets at 30 June 2024</b>	<u>225,009</u>	<u>581,475</u>	<u>208,781</u>	<u>1,015,265</u>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2025

18. Movements in funds

	At 1 July 2024 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 June 2025 £
<b>Restricted funds</b>						
<i>Partners' programmes and projects:</i>						
Nepal programmes	176,929	258,734	(506,384)	-	70,721	-
Gordon Leitch memorial fund	29,316	-	-	-	-	<b>29,316</b>
Access to work fund	-	9,274	(9,274)	-	-	-
Volunteer workers support fund	6,620	22,706	(29,326)	-	-	-
Welfare fund for volunteer workers	12,144	-	(43)	-	-	<b>12,101</b>
<b>Total restricted funds</b>	<b>225,009</b>	<b>290,714</b>	<b>(545,027)</b>	<b>-</b>	<b>70,721</b>	<b>41,417</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	(26,000)	<b>214,000</b>
Nepal programmes reserve	265,979	-	-	-	93,639	<b>359,618</b>
Strategic development fund	75,496	-	(40,158)	-	77,895	<b>113,233</b>
<i>Total designated funds</i>	<b>581,475</b>	<b>-</b>	<b>(40,158)</b>	<b>-</b>	<b>145,534</b>	<b>686,851</b>
General funds	208,781	422,174	(373,332)	5,527	(216,255)	<b>46,895</b>
<b>Total unrestricted funds</b>	<b>790,256</b>	<b>422,174</b>	<b>(413,490)</b>	<b>5,527</b>	<b>(70,721)</b>	<b>733,746</b>
<b>Total funds</b>	<b>1,015,265</b>	<b>712,888</b>	<b>(958,517)</b>	<b>5,527</b>	<b>-</b>	<b>775,163</b>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2025

18. Movements in funds (continued)

Prior period comparative	At 1 July 2023 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 June 2024 £
<b>Restricted funds</b>						
<i>Partners' programmes and projects:</i>						
Nepal programmes	341,485	281,690	(446,881)	-	635	<b>176,929</b>
Gordon Leitch memorial fund	29,316	-	-	-	-	<b>29,316</b>
Chhahari School	442	-	-	-	(442)	-
KISC	193	-	-	-	(193)	-
Volunteer workers support fund	69,036	31,796	(94,212)	-	-	<b>6,620</b>
Welfare fund for volunteer workers	12,144	-	-	-	-	<b>12,144</b>
<b>Total restricted funds</b>	<b>452,616</b>	<b>313,486</b>	<b>(541,093)</b>	<b>-</b>	<b>-</b>	<b>225,009</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	-	<b>240,000</b>
Nepal programmes reserve	265,979	-	-	-	-	<b>265,979</b>
Strategic development fund	111,833	-	(36,337)	-	-	<b>75,496</b>
<i>Total designated funds</i>	<b>617,812</b>	<b>-</b>	<b>(36,337)</b>	<b>-</b>	<b>-</b>	<b>581,475</b>
General funds	52,408	417,914	(268,973)	7,432	-	<b>208,781</b>
<b>Total unrestricted funds</b>	<b>670,220</b>	<b>417,914</b>	<b>(305,310)</b>	<b>7,432</b>	<b>-</b>	<b>790,256</b>
<b>Total funds</b>	<b>1,122,836</b>	<b>731,400</b>	<b>(846,403)</b>	<b>7,432</b>	<b>-</b>	<b>1,015,265</b>

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2025

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#### 18. Movements in funds (continued)

##### **Purposes of restricted funds**

##### **Partners' programmes and projects**

The charity raises funds to support its partners' programmes and projects, primarily from individuals, trusts and foundations. These funds are managed and paid to partners under Memorandums of Understanding (MoUs) signed between the charity and its partners. An MoU will reference the plans and budgets upon which an agreement has been made, and it will also contain a reporting and payment schedule. Payments are normally paid against a report from a partner detailing the work completed against its plans and money spent against the previously submitted budget. MoUs normally cover a period of 12-36 months. Funds received by the charity for a partner's project, but not yet guaranteed for payment, are held as restricted funds in the charity's accounts until firm commitments are made.

##### **Access to work fund**

Funding to support access to work for an employee.

##### **Volunteer workers support fund**

The purpose of this fund is several-fold. This provides a cushion against fluctuating income for volunteer allowances and gives peace of mind to volunteer workers while serving with INF. It also provides liquid funds to enable the repatriation of all workers from Nepal in the event of a natural disaster or civil unrest. Finally, because living allowances are higher when a volunteer is on Home Assignment in his/her home country, an element of provision is needed to cover these higher costs.

##### **Welfare fund for volunteer workers**

This fund is a result of a major fundraising effort some years ago on behalf of Volunteer Workers. It has grown through continuing standing orders and now amounts to £12,101. One example of the way this fund is used are small individual grants offered to retired Volunteer Workers to assist for travel costs associated with INF Conferences.

##### **Purposes of designated funds**

##### **Operating reserve**

This fund represents the Board's policy to hold reserves equivalent to six months of operating costs (£214,000) to safeguard against unforeseen events and ensure continuity of core activities. The level is reviewed annually in line with risk assessment and budget.

##### **Nepal programmes reserve**

This fund comprises amounts set aside from unrestricted reserves to meet grant commitments to INF Nepal and other partners for agreed projects, currently including leprosy care at Green Pastures Hospital, the RISE community health project in Bajura, and earthquake reconstruction in Jajarkot.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2025

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#### 18. Movements in funds (continued)

##### Purposes of designated funds (continued)

##### Strategic development fund

This fund supports strategic initiatives such as programme growth, innovation, and organisational resilience under INF UK's new strategy. It enables investment ahead of income generation to strengthen long-term impact and sustainability.

##### Transfers between funds

Transfers to restricted funds represent the topping up of overspends on restricted funds. Transfers to designated funds have been recognised to align fund balances to planned activities in the next financial year.

#### 19. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as

	2025	2024
	£	£
Amount falling due:		
Within 1 year	<u>1,725</u>	<u>1,725</u>
	<u><u>1,725</u></u>	<u><u>1,725</u></u>

#### 20. Related party transactions

There were no related party transactions during the year (2024: none).

#### 21. Financial instruments at fair value

	2025	2024
	£	£
Financial assets measured at fair value	<u><u>60,374</u></u>	<u><u>54,847</u></u>

Financial assets measured at fair value comprise listed investments.

#### 22. Contingent assets

The charity has been notified of a legacy at 30 June 2025 for which the amount receivable cannot be reliably ascertained and there has been no notification of a distribution from the estate. Indications are that the estimated value of this potential legacy is in the region of £800k.

**INTERNATIONAL NEPAL FELLOWSHIP**

England & Wales - Charity number 1047178

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# Accounts

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# **INTERNATIONAL NEPAL FELLOWSHIP**

## **Annual Report and Audited Accounts**

### **Year ending 30 June 2024**

**International Nepal Fellowship is a registered charity (no. 1047178)**

We are a company limited by guarantee (no. 3060972), registered office at  
196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX

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# Chief Executive's Summary

## Background to 2023-24

When the world emerged from the Covid-19 pandemic there was speculation about what the 'new normal' would look like, accompanied by hope-filled comments of 'building back better'.

During 2023-24 speculation has given way to clarity that is summed in a single word: 'polycrisis', defined as a combination of environmental, geopolitical, and economic crises.

Hope has been replaced by despair, the protracted conflict between the Ukraine and Russia has led to a significant leap in food insecurity for the world's poorest. The attack on Israel, and Israel's subsequent response, has brought conflict and instability to the wider region. Both conflicts have sucked up government funding and political energy that might otherwise have gone to reducing global poverty and providing hope for millions of people worldwide.

The world's climate continues to heat up unabated, leading to changing weather patterns and weather-related natural disasters such as floods, which have increased in significance and severity in Nepal.

Slow growth in major European economies, coupled with a rise in right-wing populism in some countries, has resulted in major cuts from traditionally reliable donor countries.

The UK's foreign aid commitment suffered further cuts, from £15.3bn in 2023 to £14.3bn in 2024-25. These headline figures mask an even larger, real terms cut as spending on refugees in the UK is projected to suck up 28% of this reduced figure.

Germany, the world's second largest donor country after the USA, has cut its foreign aid budget by over €3.6 billion. INF UK co-partners a German INGO accessing substantial funding for INF in Nepal. These cuts will almost certainly impact future funding.

Other usually reliable countries supporting development in Nepal, such as the Netherlands, Sweden and Norway, are also reducing their international aid budgets, Norway to a 46-year low.

The EU, the largest international aid donor in the world, is slashing its aid budget and increasingly focussing its funding on countries in which it has a strategic interest.

Ahead will be the impact of Donald Trump becoming the 47th president of the USA. There are nascent plans to withdraw immediately from the WHO and refocus USAID priorities. On the positive side, this may benefit INF if the predicted increase in funding for Christian faith-based groups happens.

We have been broadening our fundraising efforts beyond the UK, with applications to a range of international foundations and institutional donors, however securing funding to support our partners' projects has been extremely challenging this year. More positively, giving by individual donors and churches has been strong and is holding up well. We are very grateful for all our supporters who continue to support the journey of Nepal's development. There are signs of this bearing fruit as Nepal is set to graduate from a Least Developed Country (LDC) to a Lower-Middle Income Country (LMIC) in 2026, however that change could also result in Nepal being de-prioritised by some funders over the coming years.

INF UK is experiencing the above polycrisis and the ever-increasing competition for aid funding that remains. Despite these challenges, our partners have achieved much for the most disadvantaged Nepalis as you can read in this report.

### **Locally led development and localisation**

‘Locally led’ or ‘localisation’ is the shifting of power within the aid system from international donors, implementers, and aid agencies to local actors and communities, and is a key step towards a more equitable world.

Locally led development is not new and has been part of the international development conversation for many years but until very recently it has not received the prominence it deserves.

What does this mean for INF UK? In November 2024 about half of the INF UK board visited Nepal to celebrate INF’s 72 years of serving Nepal and its people. We were reminded by our Nepali colleagues of those early days when a small number of white missionaries trekked into Nepal to start a clinic in Pokhara. The small medical work that started in 1952 has grown into three hospitals and many community-based projects, serving tens of thousands of people annually.

A sense of pride in being the longest serving INGO in Nepal is understandable, but we were struck how our current story risks being overshadowed by our history. The reality is, we are not the organisation we were twenty years ago. In 2005 the Nepal based organisation passed from western leadership into the hands of its Nepali leaders, both at Director and board levels. Strategies, programmes and projects have been locally led for two decades. This is a history to be proud of, this is a story we should shout about!

At their heart the terms ‘community-led’, ‘locally led’, ‘localisation’ and ‘decolonisation’ have meanings that continue to shape and direct how we work with partners.

A key pillar of localisation is having a deep, context-specific understanding of the relationships between people, processes and institutions within a country. Our relationships with partners over many decades have helped create INF UK’s unique, context specific understandings in Nepal.

### **Leadership changes in 2024-25**

2025 will mark an important change for me personally as I shall retire from 27 years of leading INF UK, handing onto a new CEO in early 2025. It has been an immense privilege to have served for such a long period of time, making deep and lasting friendships, and overseeing several important strategic changes during my tenure. INF UK is again at a point of inflection, not just because of the challenges outlined above, but also because of the opportunities that these will inevitably bring. I look forward to supporting my successor when appointed.

As well as a change of CEO, INF UK has also had a change in Chair of our Board. In October 2024, Mike Thomas retired after serving for 10 years and has been replaced by Dr Ian Smith, formerly Chief of Staff of the Director General’s Office of the WHO. Ian is supported by an incredible group of trustees, full of experience and talent.

### **John Reynolds**

**Chief Executive Officer, INF UK**

The trustees present their report along with the audited financial statements of the charity for the year ended 30 June 2024.

Reference and administrative information set out on page 17 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (effective from January 2019).

## About INF UK

The International Nepal Fellowship (INF) is Nepal’s longest serving international NGO with nearly seven decades of experience working with Nepal’s poorest and most disadvantaged people and communities.

Today, INF in the UK is a forward-thinking and impactful organisation, fulfilling its charitable objectives and demonstrating public benefit by supporting programmes and projects delivered by our Nepali partners addressing key needs in healthcare, disability, community resilience, education, and emergency relief.

### OUR VISION

Life in all its fullness for Nepal’s poor and disadvantaged people and communities.

### OUR MISSION

Supporting local Nepali communities and healthcare services, to improve health, reduce poverty, and promote social inclusion.

### OUR VALUES

- Love and compassion
- Inclusion and dignity
- Professional excellence

### OUR ETHOS

We are motivated by our Christian faith, showing active compassion for some of the world’s poorest, and encouraging individuals and communities to access and enjoy their rights is a holistic expression of our values.

We believe all people are equal, and so inclusion and dignity are very important to us, irrespective of gender, sexual orientation, religious belief, disability, economic status, caste, or any other feature.

### DEMONSTRATING PUBLIC BENEFIT

When deciding its priorities, trustees consider how these will further the charity’s purposes for the public benefit. Trustees take account of The Charity Commission’s general guidance on public benefit, its supplemental advice on the advancement of religion for public benefit, and its supplemental advice on prevention and relief of poverty for the public benefit.

INF/UK's CEO and Programmes Manager visited several partners and projects during the year and also met with board members and the senior leadership team of INF Nepal, its primary partner. Numerous video-conferencing meetings were also held between INF/UK senior staff and our Nepali partners to supplement project reporting and other regular communications.

## Partners in Nepal

We work through a small number of like-minded partners who share our vision and values. During the past year, these local NGOs in Nepal were:

**INF Nepal (INF/N):** As a member of the international INF family, our primary delivery partner is INF Nepal, a locally registered NGO based in Pokhara. Through this relationship we have supported INF's three hospitals in Pokhara, Surkhet and Banke, as well as major development projects serving remote communities in western districts which include helping disadvantaged people become more resilient to major threats to their livelihoods such as climate change and natural disasters.

**Asal Chhimekee Nepal (ACN):** The social action arm of the Pokhara Christian Community (PCC), a grouping of 60-plus churches based in the Pokhara area, ACN's name translates as 'Good Neighbour Nepal'. ACN has valuable expertise in helping communities respond to natural disasters, working in conjunction with municipal authorities, and will often also mobilise networks of local churches to support disaster relief activities. We have also supported aspects of ACN's community development work serving marginalised people.

**Group of Helping Hands (SAHAS) Nepal:** A Kathmandu-based NGO with experience of helping rural communities develop in the poorest parts of Nepal, our partnership with SAHAS includes a project in an eastern district of the Terai which is not covered by our other partners.

**United Mission to Nepal (UMN):** Another long-standing and highly respected Christian development organisation, UMN has also been serving in Nepal since the 1950s. An update on the pilot year of an education project delivered in partnership with INF UK is included below.

**Sarwangin Sewa Samaj (SSS):** A volunteer-led organisation in Nepalgunj, supporting very poor patients and their carers at the Bheri Zonal Hospital with essential needs that would otherwise not be met.

## Impact in 2023-24

### Healthcare

#### Green Pastures Hospital, Pokhara

##### Towards Zero Leprosy (INF Nepal)

Green Pastures Hospital provides comprehensive care, including diagnosis, treatment, and rehabilitation for individuals affected by leprosy in western Nepal. The hospital also serves as a center for study on leprosy, contributing valuable insights to the global effort to combat the disease.

This year there were 312 people affected by leprosy admitted for inpatient care at Green Pastures, while 2,142 people received outpatient care. 89 new leprosy cases were diagnosed. For more severe cases, 38 people had reconstructive surgery and there were 72 other types of surgery performed for amputations, nerve decompressions and septic issues.

The number of physiotherapy, occupational therapy and speech therapy sessions provided was 7,921. A total of 541 items of footwear and other assistive devices were provided.

### **Greenhouse, Courtyard and Safe Farming Area (INF Nepal)**

A new facility to support the rehabilitation of leprosy patients opened in February 2024 at Green Pastures Hospital. Adjoining the Eileen and Betty Centre (leprosy ward), this outdoor area includes a wheelchair-friendly courtyard, a green house, and a safe farming field. It not only supports their holistic rehabilitation but also gives them skills to use when back at home.

This area is used to grow a range of vegetables, herbs and flowers, and the greenhouse includes a table for training patients about planting and growing. A Safe Farming Trainer helps patients develop their agricultural skills, including how to use adapted tools and avoid injury if they have leprosy-related numbness or other issues caused by complications from leprosy.

### **Waste Management (INF Nepal)**

A new waste management facility was created on the Green Pastures Hospital site. Six colour-coded sections (general waste, bio hazardous waste, infectious waste, pharmaceutical waste, pathological waste, and sharps waste) are included and a leaflet was produced to guide staff in improved waste management, reducing the risks to patients, staff, local community and the environment.

*INF UK also supported hospital services for **Children with Developmental Disorders**. This project ended in September 2023, the details of which are covered in last year's Annual Report.*

## **Surkhet**

### **Shining Hospital, Surkhet (INF Nepal)**

- **Medical Charity Fund**

Shining Hospital Surkhet is a rehabilitation centre for people living in Karnali province in western Nepal. The Medical Charity Fund is available for patients who are unable to afford the cost of any type of treatment at the hospital, with a socio-economic assessment available.

Between October 2023 and July 2024, 44 people benefitted from the support of this fund for treatment related to medical conditions such as strokes, spinal cord injuries and cancer.

- **Haematology analyser**

A new haematology analyser was procured for Shining Hospital in 2023, reducing the tests that need to be outsourced to external laboratories – including complete blood count tests which are carried out about 10 times per day. This reduces both the costs for patients and the wait for test results, supporting the work of the hospital's dermatologist and laboratory staff.

### **Fistula Centre, Surkhet (INF Nepal)**

INF UK continues to support the work of Dr Shirley Heywood, a gynaecological surgeon from the UK who leads the team at the Fistula Centre which opened in 2019.

## **Banke**

### **Sarwangin Sewa Samaj, Banke (SSS)**

SSS provides patient support, advocacy, counselling and fellowship for the most poverty-affected people needing medical treatment at Bheri Zonal Hospital. It also runs a nearby hostel providing accommodation and food for the patients and their caregivers.

This year about 17 people per week received food and about 7 people per week stayed at the hostel. Pastoral care and counselling was provided for about 5 to 7 patients per week.

## **Community Health**

### **Community Medical Outreach, various districts (INF Nepal)**

This three-year project is ensuring that remote communities have access to specialist doctors through a 'camps approach' and is promoting disaster prevention by strengthening local self- help potential and providing additional external help (in the event of a disaster).

Delivered by INF Nepal, the latest project year included seven disability screening camps, two of which specialised in skin and leprosy-related issues, reaching more than 3,500 people living in remote communities across various districts.

### **Access and Inclusion, Surkhet (INF Nepal)**

INF Nepal's work in Surkhet district is not limited to the work of Shining Hospital. This project helps people with disabilities to be able to contribute economically to their families and communities and lead fulfilling lives in the long term.

The second 12 months of this four-year project delivered by INF Nepal impacted 614 people through medical health services, group psycho-social counselling, and support services, as well as assistive devices and the repair and maintenance of mobility aids.

### **Leprosy Free Communities, Banke (INF Nepal)**

With an aim of reducing leprosy cases and improving the health and quality of life for those affected in Banke district, this project drew to a close in June 2024. It also helped reduce the stigma around leprosy, as during this three-year project outreach activities reached 10 schools and 872 students and teachers.

Two screening camps in May and June 2024 identified 4 newly diagnosed cases of leprosy, from almost 350 people in Banke and Bardiya districts.

## Resilient Communities

### **Inclusive Development, Empowerment and Livelihood (IDEAL), Bajura (INF Nepal)**

The past year of this project started while communities were recovering from the impact of earthquakes in May 2023, with many households further affected by floods and landslides during monsoon season.

While supporting people to recover from these incidents, the project continued to make a meaningful impact in people's lives: 267 self-help group members are using revolving funds to help start or improve income generating activities; 70 people can now earn money through rearing livestock, grocery shops, and knitting businesses; 107 farmers are generating new income through more sustainable farming practices.

### **Building Resilience through Empowerment on Adaptability against Disaster Risks and Climate Change (BREAD), Kalikot (INF Nepal)**

This new project continues INF Nepal's commitment to people living in the remote western district of Kalikot. It has a focus on improving people's livelihoods by strengthening their resilience and capacity to adapt to climate change and disaster risks.

During the first year, 45 self-help groups were established including people from 1,123 households. They have already developed and implemented 49 action plans, including construction of a wall in a disaster-prone area, water scheme maintenance, improvement of pathways, plantation, and environmental sanitation.

### **Climate Change Adaptation for Sustainable Livelihoods, Bajura (INF Nepal)**

Designed to improve living and income conditions for farmers in Bajura district, as well as strengthening resilience to natural disasters, this 3-year project came to a close in April 2024.

During the final year, 587 more people were supported in new activities or trades to improve income, and 225 people developed more effective and sustainable farming practices.

Another key project achievement was the installation of improved cooking stoves. These more efficient, metallic ovens have many benefits, including reduced firewood consumption and less smoke inside homes to reduce eye irritation and respiratory issues. One beneficiary reported the time saved cooking and cleaning was about an hour and a half each day, which could instead be spent farming or tending the kitchen garden.

### **Asha: Adolescent-led Resilient Livelihoods, Siraha (SAHAS Nepal)**

This year we passed the mid-point of this three-year project empowering 191 teenage girls from marginalised low-caste families to become change-makers and improve living standards for them and their families.

All 191 girls have prepared Family Development Plans and 113 of them have established micro-enterprises according to their interests and market research. Also, 265 farmers have received training relating to organic farming, post-harvest management, and vegetable cultivation practices. A total of 40 farmers are accessing water for farming using the installed solar water irrigation system.

INF UK also supported a **Youth-focused Integrated Vocational Skills Training and Empowerment** project, which ended at the end of July 2023. This one-year project delivered by ACN helped young people from communities in Kaski, Nawalparasi and Parbat districts to become economically active and improve family income. The impact of this project is covered in last year's Annual Report.

## Education

### **Inclusive and Quality Education for Girls, Bajura (SAHAS Nepal)**

This project led to a significant rise in children from marginalised families completing a good quality education at 12 schools in rural Bajura, which gives them greater opportunities for the future. A pre-project baseline survey showed a 50% pass rate, which has increased to 92% of students from marginalised families passing their exams.

There were also positive outcomes in increased school enrolment and reduced dropout or absence rates, especially for girls. The project established 36 School Management Committees, Parent Teacher Associations, and Children's Clubs, which have ongoing responsibility for governance, monitoring school activities and performance, and preparing action plans for improving these 12 schools.

### **School Education Enhancement, East Rukum (UMN)**

The pilot year for this project has begun to equip 20 teachers working in remote school in East Rukum district, Eight child clubs and five youth clubs have been established to focus on topics including creating a supportive learning environment at home, ensuring regular school attendance, preventing child marriage, and promoting personal hygiene. As a result, the regular school attendance of children (up to grade 3) has increased by 50%.

## Emergency Relief

### **Monsoon 2023 response, various districts (ACN and INF Nepal)**

INF UK supporters made a significant contribution to ACN's response to support people affected by floods and landslides in the districts of Mustang, Dhading, Bardiya, Kailali, Panchthar, Dolakha, Myagdi, Gorkha and Nawalparasi. A total of 717 households were supported with a mixture of food and household emergency supplies, materials for temporary shelters, and blankets to keep them warm in winter.

INF Nepal provided construction materials for 12 homes that were destroyed by a landslide in Bajura district.

### **Fire response, Mugu (INF Nepal)**

A fire that destroyed 26 homes, shops and businesses in September 2023 also caused wider damage affecting other properties and land. INF Nepal's district office in Mugu supported 122 affected people

with clothes, blankets and bedding as part of the local authorities' response to help people before the onset of winter.

## Capital projects

### Community Service Centre, Pokhara (PCC and ACN)

We remain committed to the plans of ACN and the Pokhara Christian Community to build a new Community Service Centre, which has continued to progress through the design and planning phases. This did not involve any INF UK financial commitment or expenditure this year, we are holding substantial designated funds in our accounts ahead of construction during the years ahead.

## Safeguarding

INF UK believes that all people have a right to feel safe and valued, and to live their lives free from coercion, modern slavery, sexual violence, harassment, and abuse. We seek to proactively encourage a culture where issues and concerns about safeguarding are raised and discussed, and where we provide a safe environment for all people that the organisation engages with.

The INF UK Board of Trustees is responsible for holding INF UK accountable for compliance with UK safeguarding law and best practice and ensuring that our partners are also following safeguarding policy and practice. The Board understands its legal duty to be accountable and responsible for Safeguarding for all persons who represent, support or benefit from the operations of INF UK. The Board appoints one of its members as a "Safeguarding Lead Trustee", for a term of three years. The current Safeguarding Lead Trustee is Rosie Hart.

Safeguarding is a fixed agenda item for all Board meetings and any concerns or issues are discussed by the CEO and the Safeguarding Lead Trustee as and when they arise and actioned as appropriate. During the 2023-24 year there were no safeguarding concerns raised.

## Financial Activities of the Charity

### Summary

During 2023-24, total incoming resources were £731,400 (2023: £798,167). Most of the charity's funds are sourced from private individuals, trusts and churches.

Total expenditure was £846,403 (2023: £939,600).

While expenditure during the year was higher than income, funds were drawn from the Programmes Fund in line with planned expenditure.

## Funds

### *(a) General Fund*

Total income on the General Fund was £417,914 (2023: £399,647). This was mainly made up of general donations, legacy income, and investment income.

### *(b) Gifts for Partners' Programmes and Projects*

This is income for the work amongst Nepalis. Income was £281,690 (2023: £372,638).

While personal giving has held up well during the year, in line with many other charities, 2023-24 has been a very challenging year for fundraising from Trusts and Foundations and income was significantly lower than budgeted. It is anticipated that these challenges will continue in 2024-25.

### *(c) Volunteer Workers Support fund (VWSF)*

Historically, Mission Workers were recruited by INF/UK to serve in Nepal to build local capacity (e.g. doctors, managers, teachers, and such like). A strategic decision was taken six years ago to withdraw from seconding professionals to build local capacity, and no new secondments have been made since then. The charity continues to support one surgeon still working in Nepal and will continue to do so for the foreseeable future.

During the current financial year, VWSF income was £31,796 (2023: £25,882). This is entirely consistent with expectations following the charity's strategic decision in 2018. The VWSF balance as at the year-end was £6,620.

## Reserves

### *(a) Unrestricted reserves*

- i. The policy of the board of trustees is to hold General Operating Reserves of 6-12 months of the budgeted annual costs of INF/UK in a designated Operating Reserve, to cover unforeseen events. The sum of £240,000 is held in this reserve and represents approximately 6.6 months budgeted annual costs for 2024-25.
- ii. The board adopted a strategic growth plan in 2019. The pandemic, and subsequent events such as the war in Ukraine and cost of living crisis, and the war in the middle east have impacted on the outcomes anticipated when this plan was set. The board have revised some figures downwards to reflect the economic challenges facing Charities in the UK and will undertake a review of this in 2024-25.

The trustees have designated some of the charity's General Reserves towards its growth plans. This designated fund will cover anticipated shortfalls on its General Fund over the coming 2-3 years. The Investment in Growth Fund currently stands at £75,496.

- iii. The trustees also designated some of the charity's General Reserves in support of its Programmes Fund. This underpins its commitment to additional projects in Nepal as part of its growth strategy. These additional funds will enable the charity to commit to partner projects ahead of raising funds for them.

The total of unrestricted funds held as at 30 June 2024 is as follows:

Unallocated General Funds	£208,781
Designated: Future Growth	£ 75,496
Designated: Programmes	£265,979
Designated: Operating Reserve	£240,000
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>£790,256</b>

(b) Restricted reserves

These are funds held on behalf of a project, or for a restricted purpose.

The charity raises funds to support its partners' programmes and projects, primarily from individuals, trusts and foundations. These funds are managed and paid to partners under Memorandums of Understanding (MoUs) signed between the charity and its partners. An MoU will reference the plans and budgets upon which an agreement has been made, and it will also contain a reporting and payment schedule. Payments are normally paid against a report from a partner detailing the work completed against its plans and money spent against the previously submitted budget. MoUs normally cover a period of 12-36 months. Funds received by the charity for a partner's project, but not yet guaranteed for payment, are held as restricted funds in the charity's accounts until firm commitments are made.

The total value of restricted funds held as 30 June 2024 was £225,009 (2023: £452,616).

**Investment policy**

The trustees have the power to invest in such assets as they see fit. Safety of the Charity's assets is an important factor for the board and consequently most of its reserves are held in cash at long-established banks.

**Events after the reporting period**

None.

**Charity details**

The International Nepal Fellowship (also known as INF/UK) is a registered charity (number 1047178) and a company limited by guarantee (number 03060972).

The company's registered address is 196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX.

## Structure, governance, and management

**Governing document**

INF/UK is a company limited by guarantee and it is also a Charity registered with the Charity Commission of England and Wales. It is governed by its Articles of Association that were updated in March 2020. There are currently six members of the company, each of whom agrees to contribute £1 in the event of the charity winding up.

## **Appointment of trustees**

New trustees are recruited through a mix of advertising (through INF publications) and direct approach by the trustees.

The charity's policy is that trustees serve for a maximum period of ten years before standing down for a minimum of one year. This, together with a natural turnover of trustees, ensures new trustees are appointed on a regular basis.

The Chair manages the overall trustee composition proactively to ensure a balance of skills and experience is maintained, and to ensure the board does not become stale. The make-up of the board is considered when appointing new trustees.

## **Trustee induction and training**

New trustees undergo an induction programme led by the Chair of Trustees. The programme includes a history of INF/UK and its work, a copy of its accounts, its Articles of Association, and key internal documents including INF/UK's strategic plan. It also draws heavily on the NCVO publication 'The Good Trustee Guide'. Once appointed, trustees continue to receive training during trustee meetings and their contribution is reviewed by the Chair of Trustees.

## **Organisation**

The Board of Trustees administers the charity and is responsible for the overall direction of the organisation and the policies that govern the way the organisation functions. The trustees meet a minimum three times a year, one of which is a two-day meeting, with additional meetings as needed.

Responsibility for the day-to-day leadership and management of the charity is delegated to the Chief Executive Officer (CEO) who is appointed by the trustees and is responsible for achieving the charity's strategic goals. To facilitate effective operations, the CEO has delegated authority, within terms of delegation approved by the trustees, for all operational matters including finance and employment. The CEO is line-managed by the Chair on behalf of the trustees.

## **Related parties and co-operation with other organisations**

None of the trustees receive remuneration or other benefits from their work with the charity. Any connection between a trustee or senior manager of the charity with any supplier or beneficiary must be disclosed to the full board of trustees, similarly for any other contractual relationship with a related party. In the current year no such related party transactions were reported.

While INF/UK's principal partner is INF/N, there are no voting or appointment rights or any other form of control over it, or by it of INF/UK.

## **Pay policy for senior staff**

All trustees give of their time freely and no trustee received a remuneration in the year. Details of trustee expenses are given in note 7 to the accounts and any related party transactions are disclosed in note 20 to the accounts.

The pay of senior staff is reviewed annually and benchmarked against pay levels in charities of a similar size and complexity.

## **Risk management**

The trustees have a risk management strategy:

- i. A regular review is undertaken by the trustees of principal risks and uncertainties that the charity faces. Critical risks are identified and included in the board's performance dashboard, which is circulated prior to each board meeting.

The CEO regularly scans the charity's environment and attends regular development sector meetings under the auspices of BOND, a UK network for organisations working in international development, where sector wide information is shared.

The charity is acutely aware of the cumulative impact that disruptive events over the past few years on its environment and work. Initially it was the impact of COVID, which was superseded by the war in Ukraine, the cost-of-living crisis, and more recently the war in the Middle East. The charity is well structured financially to meet these continuing challenges.

The charity is also aware of the risks faced by its partners in Nepal and the CEO maintains close contact with the leadership teams of its partners to keep abreast of the risks they are facing.

- ii. The charity has established policies, systems, and procedures to mitigate risks identified in its reviews.
- iii. Earthquake is a major risk to our partners and their staff in Nepal. A contingency plan is in place, which was stress-tested during the major earthquake in 2015 and found to be robust and appropriate.

## **Small company provisions**

The trustees' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption provided by section 408 and section 414B (b) of the Companies Act 2006.

## **Voluntary help and gifts in kind**

The trustees are very grateful to a number of volunteers who have helped in various aspects of our work during the past year.

## **Statement of responsibilities of the trustees**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;

- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have 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 charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

### **Auditors**

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on date 27 January 2025 and signed on their behalf by:

*Ian M. Smith*

Dr Ian Smith – Chair

## International Nepal Fellowship

### Reference and administrative details

For the year ended 30 June 2024

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<b>Company number</b>	03060972
<b>Charity number</b>	1047178
<b>Registered office and operational address</b>	196 -198 Edward Road Balsall Heath Birmingham B12 9LX
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:  Deborah Angdembe Vijaya Adhikari Stephen Collins Dr Andrew Cordell Rosemary Hart Professor Andrew Lymer (Treasurer) David McConkey Dr Ian Smith (Chair, appointed 5 October 2024) Michael Thomas (former Chair, resigned 5 October 2024)
	resigned 6 October 2024  appointed 8 June 2024  resigned 6 October 2024  resigned 6 October 2024
<b>Chief executive officer</b>	John Reynolds
<b>Bankers</b>	Bank of Scotland 33 Old Broad Street London EC2N 1HW
<b>Solicitors</b>	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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#### **Opinion**

We have audited the financial statements of International Nepal Fellowship (the 'charity') for the year ended 30 June 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 7 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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#### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Alison Godfrey*

Date: 27 January 2025

**Alison Godfrey FCA  
(Senior Statutory Auditor)**

For and on behalf of:

**GODFREY WILSON LIMITED**

Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

## International Nepal Fellowship

### Statement of financial activities *(incorporating an income and expenditure account)*

**For the year ended 30 June 2024**

	Note	Restricted £	Unrestricted £	2024 Total £	2023 Total £
<b>Income from:</b>					
Donations and legacies	3	313,486	397,569	<b>711,055</b>	786,056
Investments	4	-	20,345	<b>20,345</b>	12,111
<b>Total income</b>		<u>313,486</u>	<u>417,914</u>	<u><b>731,400</b></u>	<u>798,167</u>
<b>Expenditure on:</b>					
Raising funds		-	158,559	<b>158,559</b>	111,175
Charitable activities		<u>541,093</u>	<u>146,751</u>	<u><b>687,844</b></u>	<u>828,425</u>
<b>Total expenditure</b>	6	<u>541,093</u>	<u>305,310</u>	<u><b>846,403</b></u>	<u>939,600</u>
Net gains on investments	12	-	7,432	<b>7,432</b>	2,763
<b>Net income / (expenditure) and net movement in funds</b>	7	(227,607)	120,036	<b>(107,571)</b>	(138,670)
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>452,616</u>	<u>670,220</u>	<u><b>1,122,836</b></u>	<u>1,261,506</u>
<b>Total funds carried forward</b>		<u><u>225,009</u></u>	<u><u>790,256</u></u>	<u><u><b>1,015,265</b></u></u>	<u><u>1,122,836</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the accounts.

## International Nepal Fellowship

### Balance sheet

As at 30 June 2024

	Note	£	2024 £	2023 £
<b>Fixed assets</b>				
Tangible assets	11		627	1,453
Investments	12		<u>54,847</u>	<u>47,415</u>
			55,474	48,868
<b>Current assets</b>				
Debtors	13	20,565		42,446
Current asset investments		745,426		1,025,797
Cash at bank and in hand		<u>282,115</u>		<u>153,065</u>
		1,048,106		1,221,308
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	14	<u>(88,315)</u>		<u>(130,395)</u>
<b>Net current assets</b>			<u>959,791</u>	<u>1,090,913</u>
<b>Total assets less current liabilities</b>			<b>1,015,265</b>	1,139,781
Creditors: amounts falling due after 1 year	15		<u>-</u>	<u>(16,945)</u>
<b>Net assets</b>	17		<u><b>1,015,265</b></u>	<u>1,122,836</u>
<b>Funds</b>	18			
Restricted funds			225,009	452,616
Unrestricted funds				
Designated funds			581,475	617,812
General funds			<u>208,781</u>	<u>52,408</u>
<b>Total charity funds</b>			<u><b>1,015,265</b></u>	<u>1,122,836</u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 27 January 2025 and signed on their behalf by

*Ian M. Smith*

Dr Ian Smith - Chair

## International Nepal Fellowship

### Statement of cash flows

For the year ended 30 June 2024

	2024	2023
	£	£
<b>Cash used in operating activities:</b>		
Net movement in funds	(107,571)	(138,670)
<i>Adjustments for:</i>		
Depreciation charges	826	819
Gains on investments	(7,432)	(2,763)
Investment income	(20,345)	(12,111)
Decrease / (increase) in debtors	21,881	(20,352)
Decrease in creditors	(59,025)	(70,338)
<b>Net cash used in operating activities</b>	<b>(171,666)</b>	<b>(243,415)</b>
<b>Cash flows from investing activities:</b>		
Investment income	20,345	12,111
<b>Net cash provided by investing activities</b>	<b>20,345</b>	<b>12,111</b>
<b>Decrease in cash and cash equivalents in the year</b>	<b>(151,321)</b>	<b>(231,304)</b>
Cash and cash equivalents at the beginning of the year	1,178,862	1,410,166
<b>Cash and cash equivalents at the end of the year</b>	<b>1,027,541</b>	<b>1,178,862</b>
<b>Total cash and cash equivalents comprise:</b>		
Current asset investments	745,426	1,025,797
Cash at bank and in hand	282,115	153,065
<b>Cash and cash equivalents at the end of the year</b>	<b>1,027,541</b>	<b>1,178,862</b>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2024

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#### 1. Accounting policies

##### a) Basis of preparation

International Nepal Fellowship is a charitable company limited by guarantee registered in England and Wales. The registered office address is 196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Nepal Fellowship meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

##### b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

##### c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

##### d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2024

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#### 1. Accounting policies (continued)

##### e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity. As published on the charity's website, up to 15% of all restricted funds are treated as unrestricted as a contribution to support costs including governance, personnel, office, fundraising, and finance functions.

##### f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### g) Grants payable

Grants payable are recognised as expenditure when the commitment is entered into. Where such a grant is to be paid over instalments, the outstanding balance is recognised as a liability to the extent that a legal or constructive obligation exists.

##### h) Allocation of support and governance costs

Support costs are the costs incurred by UK-based staff, directly providing support for the staff and programmes based in Nepal. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the proportion of direct costs, as follows:

	2024	2023
Raising funds	19%	12%
Charitable activities	81%	88%

##### i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	3 years straight line
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Items of equipment are capitalised where the purchase price exceeds £1,000.

##### j) Listed investments

Listed investments traded on a recognised stock exchange are stated at fair value at the reporting date, which is deemed to be their market value. Any gain or loss, whether realised or unrealised, is taken to the Statement of Financial Activities.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2024

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#### 1. Accounting policies (continued)

##### k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### l) Current asset investments

Current asset investments consist of cash held on deposit in interest bearing accounts. Such investments are measured at their fair value.

##### m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of one month or less from the date of acquisition or opening of the deposit or similar account.

##### n) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### o) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### p) Pension costs

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. There are no further liabilities other than that already recognised in the SOFA.

##### q) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Exchange differences are recognised in the SOFA.

##### r) Operating leases

Payments made under operating leases are charged on a straight line basis over the term of the lease.

##### s) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2024

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#### 1. Accounting policies (continued)

##### s) Accounting estimates and key judgements (continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are depreciation as described in note 1i above.

#### 2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2023 Total £
<b>Income from:</b>			
Donations and legacies	398,520	387,536	<b>786,056</b>
Investments	-	12,111	<b>12,111</b>
<b>Total income</b>	<b>398,520</b>	<b>399,647</b>	<b>798,167</b>
<b>Expenditure on:</b>			
Raising funds	-	111,175	<b>111,175</b>
Charitable activities	663,597	164,828	<b>828,425</b>
<b>Total expenditure</b>	<b>663,597</b>	<b>276,003</b>	<b>939,600</b>
Net gains on investments	-	2,763	<b>2,763</b>
<b>Net income / (expenditure) and net movement in funds</b>	<b>(265,077)</b>	<b>126,407</b>	<b>(138,670)</b>

#### 3. Income from donations and legacies

	Restricted £	Unrestricted £	2024 Total £
Donations for partners' programmes and projects	291,782	-	<b>291,782</b>
Volunteer worker support fund	21,704	-	<b>21,704</b>
General donations	-	237,678	<b>237,678</b>
Legacy income	-	159,891	<b>159,891</b>
<b>Total income from donations and legacies</b>	<b>313,486</b>	<b>397,569</b>	<b>711,055</b>

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2024

#### 3. Income from donations and legacies (continued)

##### Prior period comparative

	Restricted £	Unrestricted £	2023 Total £
Donations for partners' programmes and projects	350,294	-	350,294
Volunteer worker support fund	25,882	-	25,882
General donations	-	231,243	231,243
Legacy income	<u>22,344</u>	<u>156,293</u>	<u>178,637</u>
<b>Total income from donations and legacies</b>	<b><u>398,520</u></b>	<b><u>387,536</u></b>	<b><u>786,056</u></b>

#### 4. Investment income

	2024 £	2023 £
Bank interest	<b>20,279</b>	12,111
Dividends	<u>66</u>	-
<b>Total income from investments</b>	<b><u>20,345</u></b>	<b><u>12,111</u></b>

All investment income in the current and prior period was unrestricted.

#### 5. Government grants

The charitable company receives government grants, defined as funding from the Department for Work and Pensions to fund charitable activities. The total value of such grants in the period ending 31 June 2024 was £10,092 (2023: £nil). There are no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2024

#### 6. Total expenditure

	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2024 Total £
Grants payable (note 8)	-	413,172	-	-	413,172
Volunteer workers support costs	-	5,394	-	-	5,394
Website, CRM and outsourced services	7,904	-	-	-	7,904
Fundraising expenses	52,716	-	-	-	52,716
Personnel costs (note 9)	46,273	45,148	238,307	-	329,728
Premises and office costs	-	-	15,193	-	15,193
Finance, legal and professional	-	-	8,088	9,720	17,808
Depreciation	-	-	826	-	826
Trustee expenses	-	-	-	3,704	3,704
Exchange gains	-	-	(42)	-	(42)
<b>Sub-total</b>	106,893	463,714	262,372	13,424	846,403
Allocation of support and governance costs	51,666	224,130	(262,372)	(13,424)	-
<b>Total expenditure</b>	<b>158,559</b>	<b>687,844</b>	<b>-</b>	<b>-</b>	<b>846,403</b>

**International Nepal Fellowship**

**Notes to the financial statements**

**For the year ended 30 June 2024**

**6. Total expenditure (continued)**

**Prior period comparative**

	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2023 Total £
Grants payable (note 8)	-	549,639	-	-	549,639
Volunteer workers support costs	-	14,602	-	-	14,602
Website, CRM and outsourced services	12,158	-	-	-	12,158
Fundraising expenses	31,450	-	-	-	31,450
Personnel costs (note 9)	37,254	38,300	216,885	-	292,439
Premises and office costs	-	-	15,045	-	15,045
Finance, legal and professional	-	-	12,620	9,420	22,040
Depreciation	-	-	819	-	819
Trustee expenses	-	-	-	3,581	3,581
Exchange gains	-	-	(2,173)	-	(2,173)
<b>Sub-total</b>	<b>80,862</b>	<b>602,541</b>	<b>243,196</b>	<b>13,001</b>	<b>939,600</b>
Allocation of support and governance costs	30,313	225,884	(243,196)	(13,001)	-
<b>Total expenditure</b>	<b>111,175</b>	<b>828,425</b>	<b>-</b>	<b>-</b>	<b>939,600</b>

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2024

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#### 7. Net movement in funds

This is stated after charging:

	2024	2023
	£	£
Depreciation	826	819
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	3,704	3,581
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	<u>8,100</u>	<u>7,850</u>

Trustees' reimbursed expenses relate to travel expenses incurred by 4 trustees (2023: 4 trustees).

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

#### 8. Grants payable to partners

	2024	2023
	£	£
INF Nepal	295,771	298,704
Asal Chhimekee Nepal (ACN)	30,517	83,245
Group of Helping Hands (SAHAS) Nepal	39,580	158,278
Sarwangin Sewa Samaj	8,600	5,000
United Mission to Nepal	45,000	-
Grants < £5k	<u>442</u>	<u>4,412</u>
Total grants committed in the period	419,910	549,639
Grants written back from prior periods	<u>(6,738)</u>	<u>-</u>
<b>Total grant expenditure</b>	<u><b>413,172</b></u>	<u><b>549,639</b></u>

All grants are paid to fund charitable activities in Nepal. The grants shown above do not include any support cost allocations.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2024

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#### 9. Staff costs and numbers

Staff costs were as follows:

	2024	2023
	£	£
Salaries and wages	260,501	239,638
Social security costs	20,799	18,701
Pension costs	25,452	26,452
Courses, travel and other	22,976	7,648
	<u>329,728</u>	<u>292,439</u>

Included in salaries and wages are redundancy and termination costs totalling £2,704. Redundancy and termination costs have been funded from unrestricted general funds (note 18).

No employee earned more than £60,000 during the year (2023: none).

The key management personnel of the charitable company comprise the Trustees and Chief Executive Officer. The total employee benefits of the key management personnel including gross wages, employer's national insurance and pension contributions were £68,853 (2023: £62,125).

	2024	2023
	No.	No.
Average head count	<u>7.25</u>	<u>8.08</u>

#### 10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 11. Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 July 2023 and 30 June 2024	<u>5,832</u>
<b>Depreciation</b>	
At 1 July 2023	4,379
Charge for the year	<u>826</u>
At 30 June 2024	<u>5,205</u>
<b>Net book value</b>	
<b>At 30 June 2024</b>	<u>627</u>
At 30 June 2023	<u>1,453</u>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

12. Investments	2024 £	2023 £
Market value at 1 July	47,415	44,652
Unrealised gains	<u>7,432</u>	<u>2,763</u>
<b>Market value at 30 June</b>	<b><u>54,847</u></b>	<b><u>47,415</u></b>
13. Debtors	2024 £	2023 £
Gift aid receivable	6,298	9,206
Prepayments	9,437	7,214
Accrued income	<u>4,830</u>	<u>26,026</u>
	<b><u>20,565</u></b>	<b><u>42,446</u></b>
14. Creditors: amounts falling due within 1 year	2024 £	2023 £
Grant commitments (note 16)	54,253	103,809
Accruals	29,194	21,995
Other taxation and social security	<u>4,868</u>	<u>4,591</u>
	<b><u>88,315</u></b>	<b><u>130,395</u></b>
15. Creditors: amounts falling due after 1 year	2024 £	2023 £
Grant commitments (note 16)	<u>-</u>	<u>16,945</u>
16. Grants commitments	2024 £	2023 £
Grant commitments brought forward	120,754	173,198
Grants committed during the period (note 8)	419,910	549,639
Grants written back in the period (note 8)	(6,738)	-
Grants paid during the period	<u>(479,673)</u>	<u>(602,083)</u>
<b>Grant commitments carried forward</b>	<b><u>54,253</u></b>	<b><u>120,754</u></b>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

17. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	627	627
Investments	-	54,847	-	54,847
Net current assets	225,009	526,628	208,154	959,791
<b>Net assets at 30 June 2024</b>	<b>225,009</b>	<b>581,475</b>	<b>208,781</b>	<b>1,015,265</b>
Prior period comparative	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	1,453	1,453
Investments	-	47,415	-	47,415
Net current assets	452,616	570,397	67,900	1,090,913
Creditors: due after 1 year	-	-	(16,945)	(16,945)
<b>Net assets at 30 June 2023</b>	<b>452,616</b>	<b>617,812</b>	<b>52,408</b>	<b>1,122,836</b>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

18. Movements in funds

	At 1 July 2023 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 June 2024 £
<b>Restricted funds</b>						
<i>Partners' programmes and projects:</i>						
INF Nepal programmes & disaster relief	341,485	281,690	(446,881)	-	635	<b>176,929</b>
Gordon Leitch memorial fund	29,316	-	-	-	-	<b>29,316</b>
Chhahari School	442	-	-	-	(442)	-
KISC	193	-	-	-	(193)	-
Volunteer workers support fund	69,036	31,796	(94,212)	-	-	<b>6,620</b>
Welfare fund for volunteer workers	12,144	-	-	-	-	<b>12,144</b>
<b>Total restricted funds</b>	<b>452,616</b>	<b>313,486</b>	<b>(541,093)</b>	<b>-</b>	<b>-</b>	<b>225,009</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	-	<b>240,000</b>
Nepal programmes	265,979	-	-	-	-	<b>265,979</b>
Investment in growth	111,833	-	(36,337)	-	-	<b>75,496</b>
<i>Total designated funds</i>	<b>617,812</b>	<b>-</b>	<b>(36,337)</b>	<b>-</b>	<b>-</b>	<b>581,475</b>
General funds	52,408	417,914	(268,973)	7,432	-	<b>208,781</b>
<b>Total unrestricted funds</b>	<b>670,220</b>	<b>417,914</b>	<b>(305,310)</b>	<b>7,432</b>	<b>-</b>	<b>790,256</b>
<b>Total funds</b>	<b>1,122,836</b>	<b>731,400</b>	<b>(846,403)</b>	<b>7,432</b>	<b>-</b>	<b>1,015,265</b>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

18. Movements in funds (continued)

Prior period comparative

	At 1 July 2022 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 1 July 2023 £
<b>Restricted funds</b>						
<i>Partners' programmes and projects:</i>						
INF Nepal programmes & disaster relief	542,741	372,638	(573,894)	-	-	341,485
Gordon Leitch memorial fund	29,316	-	-	-	-	29,316
Chhahari School	442	-	-	-	-	442
HBTA	425	-	(425)	-	-	-
KISC	193	-	-	-	-	193
PRABHAV	334	-	(334)	-	-	-
Samaritan Home	2,746	-	(2,746)	-	-	-
Volunteer workers support fund	120,087	25,882	(76,933)	-	-	69,036
Welfare fund for volunteer workers	21,409	-	(9,265)	-	-	12,144
<b>Total restricted funds</b>	<b>717,693</b>	<b>398,520</b>	<b>(663,597)</b>	<b>-</b>	<b>-</b>	<b>452,616</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	-	240,000
Nepal programmes	165,979	-	-	-	100,000	265,979
Investment in growth	125,000	-	(13,167)	-	-	111,833
<i>Total designated funds</i>	<i>530,979</i>	<i>-</i>	<i>(13,167)</i>	<i>-</i>	<i>100,000</i>	<i>617,812</i>
General funds	12,834	399,647	(262,836)	2,763	(100,000)	52,408
<b>Total unrestricted funds</b>	<b>543,813</b>	<b>399,647</b>	<b>(276,003)</b>	<b>2,763</b>	<b>-</b>	<b>670,220</b>
<b>Total funds</b>	<b>1,261,506</b>	<b>798,167</b>	<b>(939,600)</b>	<b>2,763</b>	<b>-</b>	<b>1,122,836</b>

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2024

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#### 18. Movements in funds (continued)

##### Purposes of restricted funds

##### Partners' programmes and projects

The charity raises funds to support its partners' programmes and projects, primarily from individuals, trusts and foundations. These funds are managed and paid to partners under Memorandums of Understanding (MoUs) signed between the charity and its partners. An MoU will reference the plans and budgets upon which an agreement has been made, and it will also contain a reporting and payment schedule. Payments are normally paid against a report from a partner detailing the work completed against its plans and money spent against the previously submitted budget. MoUs normally cover a period of 12-36 months. Funds received by the charity for a partner's project, but not yet guaranteed for payment, are held as restricted funds in the charity's accounts until firm commitments are made.

##### Volunteer workers support fund

The purpose of this fund is several-fold. This provides a cushion against fluctuating income for volunteer allowances and gives peace of mind to volunteer workers while serving with INF. It also provides liquid funds to enable the repatriation of all workers from Nepal in the event of a natural disaster or civil unrest. Finally, because living allowances are higher when a volunteer is on Home Assignment in his/her home country, an element of provision is needed to cover these higher costs.

##### Welfare fund for volunteer workers

This fund is a result of a major fundraising effort some years ago on behalf of Volunteer Workers. It grew through continuing standing orders and now amounts to £12,144. One example of the way this fund is used are small individual grants offered to retired Volunteer Workers to assist for travel costs associated with INF Conferences.

##### Purposes of designated funds

##### Operating reserve

The policy of the board is to hold an operating reserve of 6-12 months of the budgeted annual costs of INF/UK to cover unforeseen operating events. The sum of £240,000 is held in this reserve being approximately 8 months budgeted annual costs for 2024/25.

##### Nepal programmes

Moneys allocated from the general fund for grants to partners in Nepal, but not yet disbursed, are designated as the programmes fund. Grants given by INF/UK are assessed against agreed criteria including INF's charitable purposes and its agreed vision and mission statements. Grants may be given for periods up to 3 years and are documented in memorandums of understanding with each partner.

##### Investment in growth

The charity recognises that it will incur costs as a result of its growth strategy ahead of generating income. Expenditure against the fund in 2023/24 relates to external fundraising costs.

##### Transfers between funds

Transfers between funds relate to the repurposing of historical restricted funds to the main INF Nepal programmes & disaster relief fund.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2024

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#### 19. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	<b>2024</b>	2023
	£	£
Amount falling due: Within 1 year	<u><b>1,725</b></u>	<u>1,800</u>

#### 20. Related party transactions

There were no related party transactions during the year (2023: none).

#### 21. Financial instruments at fair value

	<b>2024</b>	2023
	£	£
Financial assets measured at fair value	<u><b>54,847</b></u>	<u>47,415</u>

Financial assets measured at fair value comprise listed investments.

**INTERNATIONAL NEPAL FELLOWSHIP**

England & Wales - Charity number 1047178

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# Accounts

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# **INTERNATIONAL NEPAL FELLOWSHIP**

## **Annual Report and Audited Accounts**

### **Year ending 30 June 2023**

**International Nepal Fellowship is a registered charity (no. 1047178)**

We are a company limited by guarantee (no. 3060972), registered office at  
196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX

[www.inf.org.uk](http://www.inf.org.uk)

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## Chief Executive's Summary

Last year, in my Chief Executive's summary I wrote:

*"As Nepal rebuilds from the damage caused by the global pandemic, we look forward to playing our part in helping the country progress in many areas – especially healthcare, developing livelihoods in remote communities, adapting to climate change, improving education, and responding to natural disasters".*

As promised, we have played our part.

It's a joy to be able to report to you a year of significant impact in the lives of almost 18,000 Nepalis, the majority of whom live on the margins of society or have lives blighted by poverty and discrimination.

Our work, and the work of our partners, is only possible because of the generosity of our amazing supporters – a collection of individuals, churches, trusts and foundations from across the UK and beyond, who share our passion to see more Nepalis break free from poverty and suffering.

In this report you will read of lives impacted by work in the following thematic areas:

- **Healthcare:** through strengthening & improving access to institutional and community-based healthcare services (includes overcoming social & economic barriers to improve health outcomes).
- **Disability:** through prevention, treatment, and rehabilitation (includes leprosy).
- **Remote communities:** through increased resilience, and by improving healthcare, social inclusion, and economic outcomes (this includes livelihoods, climate adaptation and disaster risk reduction).
- **Education:** through developing more inclusive and better quality education for children in remote communities.
- **Emergency relief:** by responding to natural disasters such as floods, landslides and earthquakes, especially when events like these affect people living in disadvantaged communities.

Looking forward, I see a year of continued challenges to find funding for our partners' amazing projects, but we continue to be ambitious for the sake of the people we serve and thank you for joining us on this journey.

Respectfully yours,



**John Reynolds**  
Chief Executive Officer, INF/UK

The trustees present their report along with the audited financial statements of the charity for the year ended 30 June 2023.

Reference and administrative information set out on page 17 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (effective from January 2019).

## **About INF UK**

The International Nepal Fellowship (INF) is Nepal's longest serving international NGO with nearly seven decades of experience working with Nepal's poorest and most disadvantaged people and communities.

Today, INF in the UK is a forward-thinking and impactful organisation, fulfilling its charitable objectives and demonstrating public benefit by supporting programmes and projects delivered by our Nepali partners addressing key needs in healthcare, disability, community resilience, education, and emergency relief.

### **OUR VISION**

Life in all its fullness for Nepal's poor and disadvantaged people and communities.

### **OUR MISSION**

Supporting local Nepali communities and healthcare services, to improve health, reduce poverty, and promote social inclusion.

### **OUR VALUES**

- Love and compassion
- Inclusion and dignity
- Professional excellence

### **OUR ETHOS**

We are motivated by our Christian faith, showing active compassion for some of the world's poorest, and encouraging individuals and communities to access and enjoy their rights is a holistic expression of our values.

We believe all people are equal, and so inclusion and dignity are very important to us, irrespective of gender, sexual orientation, religious belief, disability, economic status, caste, or any other feature.

### **DEMONSTRATING PUBLIC BENEFIT**

When deciding its priorities, trustees consider how these will further the charity's purposes for the public benefit. Trustees take account of The Charity Commission's general guidance on public benefit, its supplemental advice on the advancement of religion for public benefit, and its supplemental advice on prevention and relief of poverty for the public benefit.

INF/UK's CEO and Programmes Manager visited several partners and projects during the year and also met with board members and the senior leadership team of INF Nepal, its primary partner. Numerous video-conferencing meetings were also held between INF/UK senior staff and our Nepali partners to supplement project reporting and other regular communications.

## Partners in Nepal

We work through a small number of like-minded partners who share our vision and values. During the past year, these local NGOs in Nepal were:

**INF Nepal (INF/N):** As a member of the international INF family, our primary delivery partner is INF Nepal, a locally registered NGO based in Pokhara. Through our relationship with INF Nepal, we have supported hospitals in Pokhara, Surkhet and Banke; major community development projects in Bajura and Kalikot districts; and played a key role in supporting many of INF Nepal's disaster response activities.

**Asal Chhimekee Nepal (ACN):** The social action arm of the Pokhara Christian Community, a grouping of 50-plus churches based in the Pokhara area, whose name translates as 'Good Neighbour Nepal'. ACN has valuable expertise in helping communities respond to natural disasters. They work in conjunction and support of municipal authorities rather than independently, and will often mobilise their networks of local church communities across Nepal to support relief activities.

**Group of Helping Hands (SAHAS) Nepal:** A Kathmandu-based NGO with experience of helping rural communities develop in the poorest parts of Nepal, our partnership with SAHAS Nepal began with an education project in Bajura.

**Sarwangin Sewa Samaj (SSS):** A volunteer-led organisation in Nepalgunj, supporting very poor patients and their carers at the Bheri Zonal Hospital with essential needs that would otherwise not be met.

**United Mission to Nepal (UMN):** We are developing a partnership with UMN, another long-standing and highly-respected Christian development organisation, which has been serving in Nepal since the 1950s. Our first education project together started in July 2023, so will be covered in the 2023/24 Annual Report.

## Our impact in 2022/23

INF/UK's impact in Nepal across all our partners' programmes and projects during 2022/23 reached 17,984 direct beneficiaries, plus a further 39,136 indirect beneficiaries.

## Healthcare

Our partners' healthcare services directly impacted 11,003 people in 2022/23. This includes 3,899 who received hospital-based services at INF Nepal's three hospitals and 7,104 people who were direct

beneficiaries of community-based health projects. More than 28,000 people were indirect beneficiaries, including the families of patients.

## **Green Pastures Hospital, Pokhara**

GPH's mission is to transform lives by offering holistic rehabilitation services, fostering independence, and promoting overall well-being. Its vision is to be a centre of excellence in rehabilitation, recognised for a patient-centric approach, advanced medical practices, and impactful community outreach.

During 2022/23 GPH provided compassionate care and rehabilitation for thousands of patients. Here is a breakdown of the hospital-based services funded by INF/UK supporters.

### **Medical Charity Fund**

Healthcare is not free in Nepal, so this fund exists to provide medical treatment to patients who are unable to afford the care they need.

During these 12 months, 985 people benefitted from the GPH Medical Charity Fund. Patients received support for spinal cord injuries, orthotics, cerebral palsy, leprosy and dermatology. They received services such as surgeries, assistive devices, and physio and occupational therapy sessions.

### **Leprosy and Rehabilitation**

A total of 2,444 leprosy patients were treated at GPH, which includes 253 people admitted for inpatient services and 29 who had reconstructive surgery. Specialist medical care was provided in physiotherapy, occupational therapy, and speech therapy.

### **Eileen and Betty Centre**

The construction of a brand-new 30-bed leprosy inpatient ward at GPH was generously supported by INF/UK supporters. The building is named after Eileen Lodge and Betty Bailey, who were the founders of Green Pastures in the 1950s and who worked tirelessly for people suffering from leprosy.

The centre opened in March 2023, and went on to welcome 80 inpatients before the end of 2022/23.

### **Children with Developmental Disorders**

This service has expanded from focusing on cerebral palsy to become a Developmental Paediatrics Clinic, providing for children with various developmental disorders such as Down's syndrome, muscular dystrophy, developmental delays, congenital deformities, and many more.

In the project year, between October 2022 and September 2023, 56 children with developmental disorders benefitted from compassionate care and treatment at GPH.

### **Ear Centre**

Thanks to support from INF/UK, GPH has purchased a vHIT device, which is regularly used by audiologists in the Ear Centre to test the inner ear for conditions that cause vertigo and dizziness. The device consists of special goggles with in-built cameras to record eye movements, which is helpful for diagnosis and in guiding treatment.

## **Wheels for Nepal**

A one-week wheelchair distribution camp was held at GPH from 5<sup>th</sup> to 9<sup>th</sup> June 2023. 155 wheelchairs were distributed to people with disabilities, who travelled from many districts around Nepal (travel costs were covered by GPH) to receive customised and fitted wheelchairs to help with their mobility.

The beneficiaries were identified through the waiting lists of INF hospitals (GPH and the Shining Hospitals in Surkhet and Banke), community mobilisers, and through referrals from other organisations that work with people with disabilities.

## **Surkhet**

### **Shining Hospital, Surkhet: Medical Charity Fund**

In the 12 months after October 2022, a total of 54 patients were supported by the Medical Charity Fund at INF Nepal's Shining Hospital in Surkhet. This fund ensures that nobody is deprived medical treatment due to finances, paying for patients' treatment, medication, transport, food and accommodation.

### **Fistula Centre, Surkhet**

INF/UK continues to support the work of Dr Shirley Heywood, a gynaecological surgeon from the UK who leads the team at the Fistula Centre which opened in 2019.

## **Banke**

### **Sarwangin Sewa Samaj (SSS), Banke**

SSS is a volunteer-led organisation which supports patients and their carers at the Bheri Zonal Hospital in Nepalgunj, Banke district. INF/UK contributes toward the funding of this important service.

## **Community Health**

### **Community Medical Outreach**

This three-year project started in 2021 to improve the access of vulnerable people (people affected with leprosy, people with disabilities, and people living in disaster-prone areas) to appropriate and affordable medical services, particularly in remote and isolated areas of western Nepal.

During the past year, 7 leprosy-related skin and disability medical camps provided screening, medical treatment and counselling for 3,398 people, with 180 patients referred to GPH for further treatment. 78 people with disabilities and deformities caused by leprosy received free-of-charge reconstructive surgery and subsequent follow-up care.

### **Access and Inclusion, Surkhet**

A new four-year project started in July 2022 for people with disabilities in Surkhet district. It is improving health outcomes, supporting access to social protection measures, as well as offering skills development

and work opportunities – therefore bringing economic benefits to families and communities – through rehabilitation, livelihood training, and building the capacity of Disabled Persons’ Organisations (DPOs).

During the first six months, this project supported 499 people (371 of whom were female), with a further 2,096 indirect beneficiaries.

### **Leprosy Free Communities, Banke**

This is the middle of a three-year project to improve the health and quality of life for people with leprosy in Banke district. During 2022/23 there were 944 direct beneficiaries, including 430 people who attended two leprosy outreach camps, and 2,195 indirect beneficiaries.

## **Resilient Communities**

Our projects to increase the resilience of people’s livelihoods in disadvantaged communities, including adapting to the impacts of climate change, impacted 2,065 people during 2022/23. A further 4,594 people were indirect beneficiaries.

### **Youth-focused Integrated Vocational Skills Training and Empowerment**

This one-year project that started in August 2022 was designed to support young people from communities in Kaski, Nawalparasi and Parbat districts, which have been affected by natural disasters or the impacts of the Covid-19 pandemic, to become economically active and improve family income.

Prioritising those in greatest need, this project provided support and resources to 155 individuals and indirectly benefited 741 family members. Trainees received vocational and entrepreneurship training, as well as receiving mentorship throughout the project duration.

71% of trainees were economically active by the end of the project, and 50% of trainees reported more than a 30% increase in household income.

### **Inclusive Development, Empowerment and Livelihood (IDEAL) project, Bajura**

A challenging year in Bajura included heavy rain in October 2022 which blocked roads and damaged 458 houses, as well as a 6.4-magnitude earthquake in March 2023.

Despite this, during 2022/23 the project’s 90 self-help groups developed and implemented 435 action plans. 184 local people have been equipped to facilitate group meetings. Also, 653 group members took out loans from a fund set up by the groups to help increase income and improve their livelihoods.

The 4,653 beneficiaries during this year includes 1,436 group members and 200 schoolgirls who learned to make sanitary pads using locally available cloth materials. There were a further 12,680 indirect beneficiaries.

### **Climate Change Adaptation for Sustainable Livelihoods, Bajura**

As we passed the mid-point of this three-year project, further progress was made towards the goal to improve the adaptive capacity of the rural poor in Bajura district who are engaged in agriculture-based livelihoods, to cope with climate variability and change.

There were 915 beneficiaries this year, including 273 farmers who received agriculture training. There were also 220 new agriculture, livestock or poultry businesses set up during the 12 months.

### **Asha: Adolescents Led Resilient Livelihoods for Terai Dalit Farmers, Siraha**

This project in Siraha district began in October 2022 to empower and develop the skills of adolescents from the most marginalised Terai Dalit farming families – to improve inclusive, sustainable, and resilient livelihoods through education, life skills training, health improvement initiatives in the community, and climate-resilient leasehold farming.

The first 12 months of the project impacted 792 people, plus 955 indirect beneficiaries. 191 adolescent girls received life skills training through SAMVAD groups – named using the Hindi word for dialogue, because these groups give the girls a new-found voice to raise important issues which impact their lives such as early marriage and access to education.

## **Education**

This is a relatively new thematic area for INF/UK, which we plan to grow over the coming years. The impact on 1,581 direct beneficiaries in 2022/23 was all delivered by the project in Bajura district, which is described below, with a further 6,324 indirect beneficiaries.

### **Inclusive and Quality Education for Girls, Bajura**

The objective of this project is to establish and strengthen provisions to provide quality and inclusive education in public schools, resulting in an improved learning outcome for all. This 3-year project is being delivered in three Rural Municipalities of Bajura district by SAHAS Nepal.

The second year of this project (May 2022 to May 2023) impacted 1,581 schoolchildren across 6 schools, with School Improvement Plans developed along with lesson plans incorporating training about child-friendly teaching methods.

A new four-year **School Education Enhancement Project** being delivered in partnership with UMN began in July 2023, which aims to improve the access and quality of education in East Rukum district.

## **Emergency Relief**

Nepal is prone to frequent natural disasters, including floods and landslides often prompted by the annual monsoon rains, as well as earthquakes due to the location of many districts in the foothills of the Himalayas.

In total, our partners helped 3,335 people during 2022/23.

In September, INF Nepal responded to help 42 households affected by a landslide in **Darchula district**, including food and hygiene kits, temporary shelter, and mosquito nets.

Monsoon rains also brought issues in **Belaka and Bara districts** when the Koshi river burst its banks. We supported both ACN and SAHAS Nepal in their response, helping 675 households with their immediate needs and supporting their recovery during the following months.

In early 2023 a series of earthquakes and aftershocks in **Bajura district** damaged houses and schools. We helped SAHAS Nepal, which has an active education project in the district (as described above), when a school for 180 children was damaged. They quickly constructed a temporary learning centre, to minimise any disruption to the children's education.

## Capital projects

### Community Service Centre, Pokhara

During 2022/23 we supported ACN with their developing plans for a Community Service Centre, working in tandem with the Pokhara Christian Community. Funding proposals were developed and INF/UK helped fund work on the design, drawings, cost estimation and bid documents.

The plan is that, once necessary planning permissions and funding pledges have been confirmed, construction will begin in 2024 and the building will open in 2026.

## Safeguarding

INF UK believes that all people have a right to feel safe and valued, and to live their lives free from coercion, modern slavery, sexual violence, harassment, and abuse. We seek to proactively encourage a culture where issues and concerns about safeguarding are raised and discussed, and where we provide a safe environment for all people that the organisation engages with.

The INF UK Board of Trustees is responsible for holding INF UK accountable for compliance with UK safeguarding law and best practice and ensuring that our partners are also following safeguarding policy and practice. The Board understands its legal duty to be accountable and responsible for Safeguarding for all persons who represent, support or benefit from the operations of INF UK. The Board appoints one of its members as a "Safeguarding Lead Trustee", for a term of three years. The current Safeguarding Lead Trustee is Rosie Hart.

Safeguarding is a fixed agenda item for all Board meetings and any concerns or issues are discussed by the CEO and the Safeguarding Lead Trustee as and when they arise and actioned as appropriate. During the 2022-23 year there were no safeguarding concerns raised.

## Financial Activities of the Charity

### Summary

During 2022-23, total incoming resources were £798,167 (2022: £758,738). Most of its funds are sourced from private individuals, trusts and churches.

Total expenditure was £939,600 (2022: £876,401).

While expenditure during the year was higher than income, this is not concerning as it was primarily due to a catch-up of expenditure for projects whose work was disrupted or delayed by COVID. This situation was envisaged and explained in the Directors' report for the year ending 30 June 2022.

## **Funds**

### *(a) General Fund*

Total income on the General Fund was £399,647 (2022: £359,537). This was mainly made up of general donations, legacy income, and investment income.

### *(b) Gifts for Partners' Programmes and Projects*

This is income for the work amongst Nepalis. Income was £372,638 (2022: £374,240).

Partner income, while similar to the previous year, was significantly lower than budgeted due to a continued reduction in project proposals shared by our main partner during the first half of the year. This reduced the potential for fundraising. This position was reversed during the second half of the year with a significant increase in concept notes and proposals from partners. Currently the charity is working on new concept notes/proposals with combined project values in excess £1.3 million.

### *(c) Volunteer Workers Support fund (VWSF)*

Historically, Mission Workers were recruited by INF/UK to serve in Nepal to build local capacity (e.g. doctors, managers, teachers, and such like). A strategic decision was taken five years ago to withdraw from seconding professionals to build local capacity, and no new secondments have been made since then. The charity continues to support one surgeon still working in Nepal, and will continue to do so for the foreseeable future.

The VWSF is the restricted fund that is used to support mission worker salaries and costs. Funds are raised from church groups, trusts, and personal supporters, many of whom represent friendship contacts from the volunteers' church groupings. The VWSF is a pooled resource and guaranteed an even level of allowance while a volunteer is in the service of INF.

During the current financial year, VWSF income was £25,882 (2022: £24,961). This is entirely consistent with expectations following the charity's strategic decision in 2018. The VWSF balance as at the year-end was £69,036.

## **Reserves**

### *(a) Unrestricted reserves*

- i. The policy of the board of trustees is to hold General Operating Reserves of 6-12 months of the budgeted annual costs of INF/UK in a designated Operating Reserve, to cover unforeseen events. The sum of £240,000 is held in this reserve and represents approximately 8 months budgeted annual costs for 2023-24.
- ii. The board adopted a strategic growth plan in 2019. The pandemic, and subsequent events such as the war in Ukraine and cost of living crisis, have impacted on the outcomes anticipated when this plan was set. The board have revised some figures downwards to reflect the

economic challenges facing Charities in the UK. Notwithstanding this, the board have reaffirmed its desire to focus on growth, rather than retrench.

The trustees have designated some of the charity's General Reserves towards its growth plans. This designated fund will cover anticipated shortfalls on its General Fund over the coming 2-3 years. The Investment in Growth Fund currently stands at £111,833.

iii. The trustees also designated some of its General Reserves in support of its Programmes Fund. This underpins its commitment to additional projects in Nepal as part of its growth strategy. These additional funds will enable the charity to commit to partner projects ahead of raising funds for them.

The total of unrestricted funds held as at 30 June 2023 is as follows:

Unallocated General Funds	£ 52,408
Designated: Future Growth	£111,833
Designated: Programmes	£265,979
Designated: Operating Reserve	£240,000
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>£670,220</b>

(b) Restricted reserves

These are funds held on behalf of a project, or for a restricted purpose.

The charity raises funds to support its partners' programmes and projects, primarily from individuals, trusts and foundations. These funds are managed and paid to partners under Memorandums of Understanding (MoUs) signed between the charity and its partners. An MoU will reference the plans and budgets upon which an agreement has been made, and it will also contain a reporting and payment schedule. Payments are normally paid against a report from a partner detailing the work completed against its plans and money spent against the previously submitted budget. MoUs normally cover a period of 12-36 months but a guarantee of support is only given a year at a time. Funds received by the charity for a partner's project, but not yet guaranteed for payment, are held as restricted funds in the charity's accounts until firm commitments are made.

The total value of restricted funds held as 30 June 2023 was £452,616 (£717,693).

**Investment policy**

The trustees have the power to invest in such assets as they see fit. Safety of the Charity's assets is an important factor for the board and consequently most of its reserves are currently held in cash at well-established banks.

**Events after the reporting period**

None.

## **Charity details**

The International Nepal Fellowship (also known as INF/UK) is a registered charity (number 1047178) and a company limited by guarantee (number 03060972).

The company's registered address is 196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX.

# **Structure, governance, and management**

## **Governing document**

INF/UK is a company limited by guarantee and it is also a Charity registered with the Charity Commission of England and Wales. It is governed by its Articles of Association that were updated in March 2020. There are currently eight members of the company, each of whom agrees to contribute £1 in the event of the charity winding up.

## **Appointment of trustees**

New trustees are recruited through a mix of advertising (through INF publications) and direct approach by the trustees.

The charity's policy is that trustees serve for a maximum period of ten years before standing down for a minimum of one year. This, together with a natural turnover of trustees, ensures new trustees are appointed on a regular basis.

The Chair manages the overall trustee composition proactively to ensure a balance of skills and experience is maintained, and to ensure the board does not become stale. The make-up of the board is considered when appointing new trustees.

## **Trustee induction and training**

New trustees undergo an induction programme led by the Chair of trustees. The programme includes a history of INF/UK and its work, a copy of its accounts, its Articles of Association, and key internal documents including INF/UK's strategic plan. It also draws heavily on the NCVO publication 'The Good Trustee Guide'. Once appointed, trustees continue to receive training during trustee meetings and their contribution is reviewed by the Chair of trustees.

## **Organisation**

The board of trustees administers the charity and is responsible for the overall direction of the organisation and the policies that govern the way the organisation functions. The trustees meet a minimum three times a year, one of which is a two-day meeting, with additional meetings as needed.

Responsibility for the day-to-day leadership and management of the charity is delegated to the Chief Executive Officer (CEO) who is appointed by the trustees, and is responsible for achieving the charity's strategic goals. To facilitate effective operations, the CEO has delegated authority, within terms of delegation approved by the trustees, for all operational matters including finance and employment. The CEO is line-managed by the Chair on behalf of the trustees.

## **Related parties and co-operation with other organisations**

None of the trustees receive remuneration or other benefits from their work with the charity. Any connection between a trustee or senior manager of the charity with any supplier or beneficiary must be disclosed to the full board of trustees, similarly for any other contractual relationship with a related party. In the current year no such related party transactions were reported.

While INF/UK's principal partners are INF/N and ACN, there are no voting or appointment rights in respect of either of these, neither is there any other form of control over them, or by them of INF/UK.

## **Pay policy for senior staff**

All trustees give of their time freely and no trustee received a remuneration in the year. Details of trustee expenses and any related party transactions are disclosed in note 7 to the accounts.

The pay of senior staff is reviewed annually and benchmarked against pay levels in charities of a similar size and complexity.

## **Risk management**

The trustees have a risk management strategy:

- i. A regular review is undertaken by the trustees of principal risks and uncertainties that the charity faces. Critical risks are identified and included in the board's performance dashboard, which is circulated prior to each board meeting.

The CEO regularly scans the charity's environment and attends regular development sector meetings under the auspices of BOND, a UK network for organisations working in international development, where sector wide information is shared.

The charity is acutely aware of the cumulative impact that disruptive events over the past few years on its environment and work. Initially it was the impact of COVID, which was superseded by the war in Ukraine, the cost-of-living crisis, and more recently the war between Israel and Hamas. The charity is well structured financially to meet these continuing challenges.

The charity is also aware of the risks faced by its partners in Nepal and the CEO maintains close contact with the leadership teams of its partners to keep abreast of the risks they are facing.

- ii. The charity has established policies, systems, and procedures to mitigate risks identified in its reviews.
- iii. Earthquake is a major risk to our partners and their staff in Nepal. A contingency plan is in place, which was stress-tested during the major earthquake in 2015 and found to be robust and appropriate.

## **Small company provisions**

The trustees' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption provided by section 408 and section 414B (b) of the Companies Act 2006.

## **Voluntary help and gifts in kind**

The trustees are very grateful to a number of volunteers who have helped in various aspects of our work during the past year.

## **Statement of responsibilities of the trustees**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have 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 charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

**Auditors**

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on date 29 January 2024 and signed on their behalf by:

*Michael Thomas*

Michael Thomas – Chair

## International Nepal Fellowship

### Reference and administrative details

For the year ended 30 June 2023

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<b>Company number</b>	03060972
<b>Charity number</b>	1047178
<b>Registered office and operational address</b>	196 -198 Edward Road Birmingham B12 9LX
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:  Michael Thomas (Chair) Vijaya Adhikari Deborah Angdembe (appointed 10 June 2023) Stephen Collins Rosemary Hart Professor Andrew Lymer (Treasurer) David McConkey Dr Ian Smith
<b>Chief executive officer</b>	John Reynolds
<b>Bankers</b>	Bank of Scotland 33 Old Broad Street London EC2N 1HW
<b>Solicitors</b>	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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#### **Opinion**

We have audited the financial statements of International Nepal Fellowship (the 'charity') for the year ended 30 June 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Independent auditors' report**

### **To the members of**

#### **International Nepal Fellowship**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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#### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Alison Godfrey*

Date: 30 January 2024

**Alison Godfrey FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:  
**GODFREY WILSON LIMITED**  
Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

## International Nepal Fellowship

### Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 June 2023

	Note	Restricted £	Unrestricted £	2023 Total £	2022 Total £
<b>Income from:</b>					
Donations and legacies	3	398,520	387,536	<b>786,056</b>	758,278
Investments	4	-	12,111	<b>12,111</b>	460
<b>Total income</b>		<u>398,520</u>	<u>399,647</u>	<u><b>798,167</b></u>	<u>758,738</u>
<b>Expenditure on:</b>					
Raising funds		-	111,175	<b>111,175</b>	149,796
Charitable activities		<u>663,597</u>	<u>164,828</u>	<u><b>828,425</b></u>	<u>726,605</u>
<b>Total expenditure</b>	6	<u>663,597</u>	<u>276,003</u>	<u><b>939,600</b></u>	<u>876,401</u>
Net gains / (losses) on investments		-	2,763	<b>2,763</b>	(3,036)
<b>Net income / (expenditure) and net movement in funds</b>	7	(265,077)	126,407	<b>(138,670)</b>	(120,699)
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>717,693</u>	<u>543,813</u>	<u><b>1,261,506</b></u>	<u>1,382,205</u>
<b>Total funds carried forward</b>		<u><u>452,616</u></u>	<u><u>670,220</u></u>	<u><u><b>1,122,836</b></u></u>	<u><u>1,261,506</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the accounts.

## International Nepal Fellowship

### Balance sheet

As at 30 June 2023

	Note	£	2023 £	2022 £
<b>Fixed assets</b>				
Tangible assets	11		<b>1,453</b>	2,271
Investments	12		<b>47,415</b>	44,652
			<b>48,868</b>	46,923
<b>Current assets</b>				
Debtors	13	<b>42,446</b>		22,094
Current asset investments		<b>1,025,797</b>		1,013,687
Cash at bank and in hand		<b>153,065</b>		396,479
		<b>1,221,308</b>		1,432,260
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	14	<b>(130,395)</b>		(184,594)
<b>Net current assets</b>			<b>1,090,913</b>	1,247,666
<b>Total assets less current liabilities</b>			<b>1,139,781</b>	1,294,589
Creditors: amounts falling due after 1 year	15		<b>(16,945)</b>	(33,083)
<b>Net assets</b>	17		<b>1,122,836</b>	1,261,506
<b>Funds</b>	18			
Restricted funds			<b>452,616</b>	717,693
Unrestricted funds				
Designated funds			<b>617,812</b>	530,979
General funds			<b>52,408</b>	12,834
<b>Total charity funds</b>			<b>1,122,836</b>	1,261,506

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 29 January 2024 and signed on their behalf by

*Michael Thomas*

Michael Thomas - Chair

## International Nepal Fellowship

### Statement of cash flows

For the year ended 30 June 2023

	2023 £	2022 £
<b>Cash used in operating activities:</b>		
Net movement in funds	(138,670)	(120,699)
<i>Adjustments for:</i>		
Depreciation charges	819	1,231
Loss on disposal of equipment	-	935
(Gains) / losses on investments	(2,763)	3,036
Investment income	(12,111)	(460)
(Increase) / decrease in debtors	(20,352)	12,534
(Decrease) / increase in creditors	(70,338)	61,214
<b>Net cash used in operating activities</b>	<b><u>(243,415)</u></b>	<b><u>(42,209)</u></b>
<b>Cash flows from investing activities:</b>		
Investment income	12,111	460
Purchase of tangible fixed assets	-	(2,478)
<b>Net cash provided by / (used in) investing activities</b>	<b><u>12,111</u></b>	<b><u>(2,018)</u></b>
<b>Decrease in cash and cash equivalents in the year</b>	<b>(231,304)</b>	<b>(44,227)</b>
Cash and cash equivalents at the beginning of the year	<u>1,410,166</u>	<u>1,454,393</u>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>1,178,862</u></b>	<b><u>1,410,166</u></b>
<b>Total cash and cash equivalents comprise:</b>		
Current asset investments	1,025,797	1,013,687
Cash at bank and in hand	<u>153,065</u>	<u>396,479</u>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>1,178,862</u></b>	<b><u>1,410,166</u></b>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2023

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#### 1. Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Nepal Fellowship meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

##### b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

##### c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

##### d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

##### e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2023

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#### 1. Accounting policies (continued)

##### f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### g) Grants payable

Grants payable are recognised as expenditure when the commitment is entered into. Where such a grant is to be paid over instalments, the outstanding balance is recognised as a liability to the extent that a legal or constructive obligation exists.

##### h) Allocation of support and governance costs

Support costs are the costs incurred by UK-based staff, directly providing support for the staff and programmes based in Nepal. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff costs, as follows:

	2023	2022
Raising funds	12%	17%
Charitable activities	88%	83%

##### i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	3 years straight line
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Items of equipment are capitalised where the purchase price exceeds £1,000.

##### j) Investments

Investments are valued at market value in accordance with the SORP. Changes in value during the period are reported as gains/losses in investment assets in the SOFA.

##### k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash held in longer term deposit accounts is classified as current asset investments on the balance sheet.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2023

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#### 1. Accounting policies (continued)

##### m) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### n) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### o) Pension costs

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. There are no further liabilities other than that already recognised in the SOFA.

##### p) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Exchange differences are recognised in the SOFA.

##### q) Operating leases

Payments made under operating leases are charged on a straight line basis over the term of the lease.

##### r) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

##### Depreciation

As described in note 1i to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

**International Nepal Fellowship**

**Notes to the financial statements**

**For the year ended 30 June 2023**

**2. Prior period comparatives: statement of financial activities**

	Restricted £	Unrestricted £	2022 Total £
<b>Income from:</b>			
Donations and legacies	399,201	359,077	<b>758,278</b>
Investments	-	460	<b>460</b>
<b>Total income</b>	<b>399,201</b>	<b>359,537</b>	<b>758,738</b>
<b>Expenditure on:</b>			
Raising funds	-	149,796	<b>149,796</b>
Charitable activities	568,650	157,955	<b>726,605</b>
<b>Total expenditure</b>	<b>568,650</b>	<b>307,751</b>	<b>876,401</b>
Net losses on investments	-	(3,036)	<b>(3,036)</b>
<b>Net income / (expenditure) and net movement in funds</b>	<b>(169,449)</b>	<b>48,750</b>	<b>(120,699)</b>

**3. Income from donations and legacies**

	Restricted £	Unrestricted £	2023 Total £
Donations for partners' programmes and projects	350,294	-	<b>350,294</b>
Volunteer worker support fund	25,882	-	<b>25,882</b>
General donations	-	231,243	<b>231,243</b>
Legacy income	22,344	156,293	<b>178,637</b>
<b>Total income from donations and legacies</b>	<b>398,520</b>	<b>387,536</b>	<b>786,056</b>

**Prior period comparative:**

	Restricted £	Unrestricted £	2022 Total £
Donations for partners' programmes and projects	329,296	34,000	363,296
Volunteer worker support fund	24,961	-	24,961
General donations	-	275,879	275,879
Legacy income	44,944	49,198	94,142
<b>Total income from donations and legacies</b>	<b>399,201</b>	<b>359,077</b>	<b>758,278</b>

**International Nepal Fellowship**

**Notes to the financial statements**

**For the year ended 30 June 2023**

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**4. Investment income**

	<b>2023</b>	2022
	£	£
Bank interest	<u><u>12,111</u></u>	<u><u>460</u></u>

All investment income in the current and prior period was unrestricted.

**5. Government grants**

The charitable company did not receive any government grants in the current or prior period.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2023

#### 6. Total expenditure

	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2023 Total £
Grants payable (note 8)	-	549,639	-	-	<b>549,639</b>
Volunteer workers support costs	-	14,602	-	-	<b>14,602</b>
Website, CRM and outsourced services	12,158	-	-	-	<b>12,158</b>
Fundraising expenses	31,450	-	-	-	<b>31,450</b>
Personnel costs (note 9)	37,254	38,300	216,885	-	<b>292,439</b>
Premises and office costs	-	-	15,045	-	<b>15,045</b>
Finance, legal and professional	-	-	12,620	9,420	<b>22,040</b>
Depreciation	-	-	819	-	<b>819</b>
Trustee expenses	-	-	-	3,581	<b>3,581</b>
Exchange (gains) / losses	-	-	(2,173)	-	<b>(2,173)</b>
<b>Sub-total</b>	<b>80,862</b>	<b>602,541</b>	<b>243,196</b>	<b>13,001</b>	<b>939,600</b>
Allocation of support and governance costs	30,313	225,884	(243,196)	(13,001)	-
<b>Total expenditure</b>	<b>111,175</b>	<b>828,425</b>	<b>-</b>	<b>-</b>	<b>939,600</b>

**International Nepal Fellowship**

**Notes to the financial statements**

**For the year ended 30 June 2023**

**6. Total expenditure**

<b>Prior period comparative:</b>	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2022 Total £
Grants payable (note 8)	-	470,222	-	-	470,222
Volunteer workers support costs	-	11,513	-	-	11,513
Website, CRM and outsourced services	48,083	-	-	-	48,083
Fundraising expenses	21,223	-	-	-	21,223
Personnel costs (note 9)	35,735	27,777	216,854	-	280,366
Premises and office costs	-	-	20,701	-	20,701
Finance, legal and professional	-	-	10,405	8,640	19,045
Depreciation	-	-	1,231	-	1,231
Trustee expenses	-	-	-	2,721	2,721
Exchange (gains) / losses	-	-	361	-	361
Loss on disposal of fixed assets	-	-	935	-	935
<b>Sub-total</b>	105,041	509,512	250,487	11,361	876,401
Allocation of support and governance costs	44,755	217,093	(250,487)	(11,361)	-
<b>Total expenditure</b>	149,796	726,605	-	-	876,401

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2023

#### 7. Net movement in funds

This is stated after charging:

	2023 £	2022 £
Depreciation	819	1,231
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	3,581	2,721
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	<u>7,850</u>	<u>6,950</u>

Trustees' reimbursed expenses relate to board meeting expenses incurred by 4 trustees (2022: 7 trustees).

#### 8. Grants payable to partners

	2023 £	2022 £
INF Nepal	298,704	439,561
Asal Chhimekee Nepal (ACN)	83,245	22,300
Group of Helping Hands (SAHAS) Nepal	158,278	-
Sarwangin Sewa Samaj	5,000	5,750
Grants < £5k	<u>4,412</u>	<u>2,611</u>
<b>Total grants payable</b>	<b><u>549,639</u></b>	<b><u>470,222</u></b>

All grants are paid to fund charitable activities in Nepal. The grants shown above do not include any support cost allocations.

#### 9. Staff costs and numbers

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	239,638	234,943
Social security costs	18,701	16,397
Pension costs	26,452	23,282
Courses, travel and other	<u>7,648</u>	<u>5,744</u>
	<b><u>292,439</u></b>	<b><u>280,366</u></b>

No employee earned more than £60,000 during the year (2022: none).

The key management personnel of the charitable company comprise the Trustees and Chief Executive Officer. The total employee benefits of the key management personnel including gross wages, employer's national insurance and pension contributions were £62,125 (2022: £60,262).

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2023

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#### 9. Staff costs and numbers (continued)

	2023 No.	2022 No.
Average head count	<u>8.08</u>	<u>9.25</u>

#### 10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 11. Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 July 2022 and 30 June 2023	<u>5,832</u>
<b>Depreciation</b>	
At 1 July 2022	3,560
Charge for the year	<u>819</u>
At 30 June 2023	<u>4,379</u>
<b>Net book value</b>	
<b>At 30 June 2023</b>	<u><u>1,453</u></u>
At 30 June 2022	<u><u>2,271</u></u>

#### 12. Investments

	2023 £	2022 £
Market value at 1 July 2022	44,652	47,688
Unrealised gains / (losses)	<u>2,763</u>	<u>(3,036)</u>
<b>Market value at 30 June 2023</b>	<u><u>47,415</u></u>	<u><u>44,652</u></u>

#### 13. Debtors

	2023 £	2022 £
Gift aid receivable	9,206	16,870
Prepayments	7,214	5,224
Accrued income	<u>26,026</u>	<u>-</u>
	<u><u>42,446</u></u>	<u><u>22,094</u></u>

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2023

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#### 14. Creditors: amounts falling due within 1 year

	2023 £	2022 £
Grant commitments (note 16)	103,809	140,115
Accruals	21,995	43,582
Other taxation and social security	4,591	897
	<u>130,395</u>	<u>184,594</u>

#### 15. Creditors: amounts falling due after 1 year

	2023 £	2022 £
Grant commitments (note 16)	<u>16,945</u>	<u>33,083</u>

#### 16. Grants commitments

	2023 £	2022 £
Grant commitments brought forward	173,198	126,752
Grants committed during the period	549,639	470,222
Grants paid during the period	<u>(602,083)</u>	<u>(423,776)</u>
<b>Grant commitments carried forward</b>	<u>120,754</u>	<u>173,198</u>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2023

17. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	1,453	<b>1,453</b>
Investments	-	47,415	-	<b>47,415</b>
Net current assets	452,616	570,397	67,900	<b>1,090,913</b>
Creditors: due after 1 year	-	-	(16,945)	<b>(16,945)</b>
<b>Net assets at 30 June 2023</b>	<b><u>452,616</u></b>	<b><u>617,812</u></b>	<b><u>52,408</u></b>	<b><u>1,122,836</u></b>
	Restricted funds £	Designated funds £	General funds £	Total funds £
<b>Prior period comparative</b>				
Tangible fixed assets	-	-	2,271	2,271
Investments	-	44,652	-	44,652
Net current assets	717,693	486,327	43,646	1,247,666
Creditors: due after 1 year	-	-	(33,083)	(33,083)
<b>Net assets at 30 June 2022</b>	<b><u>717,693</u></b>	<b><u>530,979</u></b>	<b><u>12,834</u></b>	<b><u>1,261,506</u></b>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2023

18. Movements in funds

	At 1 July 2022 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 June 2023 £
<b>Restricted funds</b>						
<i>Partners' programmes and projects:</i>						
INF Nepal programmes & disaster relief	542,741	372,638	(573,894)	-	-	<b>341,485</b>
Gordon Leitch memorial fund	29,316	-	-	-	-	<b>29,316</b>
Chhahari School	442	-	-	-	-	<b>442</b>
HBTA	425	-	(425)	-	-	-
KISC	193	-	-	-	-	<b>193</b>
PRABHAV	334	-	(334)	-	-	-
Samaritan Home	2,746	-	(2,746)	-	-	-
Volunteer workers support fund	120,087	25,882	(76,933)	-	-	<b>69,036</b>
Welfare fund for volunteer workers	21,409	-	(9,265)	-	-	<b>12,144</b>
<b>Total restricted funds</b>	<b>717,693</b>	<b>398,520</b>	<b>(663,597)</b>	<b>-</b>	<b>-</b>	<b>452,616</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	-	<b>240,000</b>
Nepal programmes	165,979	-	-	-	100,000	<b>265,979</b>
Investment in growth	125,000	-	(13,167)	-	-	<b>111,833</b>
<i>Total designated funds</i>	<b>530,979</b>	<b>-</b>	<b>(13,167)</b>	<b>-</b>	<b>100,000</b>	<b>617,812</b>
General funds	12,834	399,647	(262,836)	2,763	(100,000)	<b>52,408</b>
<b>Total unrestricted funds</b>	<b>543,813</b>	<b>399,647</b>	<b>(276,003)</b>	<b>2,763</b>	<b>-</b>	<b>670,220</b>
<b>Total funds</b>	<b>1,261,506</b>	<b>798,167</b>	<b>(939,600)</b>	<b>2,763</b>	<b>-</b>	<b>1,122,836</b>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2023

18. Movements in funds (continued)

Prior period comparative	At 1 July 2021 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 June 2022 £
<b>Restricted funds</b>						
<i>Partners' programmes and projects:</i>						
INF Nepal programmes & disaster relief	659,326	374,130	(490,715)	-	-	<b>542,741</b>
Seconded workers	140	50	(190)	-	-	-
Chhahari School	425	17	-	-	-	<b>442</b>
Gordon Leitch memorial fund	29,316	-	-	-	-	<b>29,316</b>
HBTA	382	43	-	-	-	<b>425</b>
KISC	193	-	-	-	-	<b>193</b>
PRABHAV	334	-	-	-	-	<b>334</b>
Samaritan Home	2,746	-	-	-	-	<b>2,746</b>
Volunteer workers support fund	172,871	24,961	(77,745)	-	-	<b>120,087</b>
Welfare fund for volunteer workers	21,409	-	-	-	-	<b>21,409</b>
<b>Total restricted funds</b>	<b>887,142</b>	<b>399,201</b>	<b>(568,650)</b>	<b>-</b>	<b>-</b>	<b>717,693</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	-	<b>240,000</b>
Nepal programmes	100,000	65,979	-	-	-	<b>165,979</b>
Investment in growth	125,000	-	-	-	-	<b>125,000</b>
<i>Total designated funds</i>	<b>465,000</b>	<b>65,979</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>530,979</b>
General funds	30,063	293,558	(307,751)	(3,036)	-	<b>12,834</b>
<b>Total unrestricted funds</b>	<b>495,063</b>	<b>359,537</b>	<b>(307,751)</b>	<b>(3,036)</b>	<b>-</b>	<b>543,813</b>
<b>Total funds</b>	<b>1,382,205</b>	<b>758,738</b>	<b>(876,401)</b>	<b>(3,036)</b>	<b>-</b>	<b>1,261,506</b>

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2023

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#### 18. Movements in funds (continued)

##### **Purposes of restricted funds**

##### **Partners' programmes and projects**

The charity raises funds to support its partners' programmes and projects, primarily from individuals, trusts and foundations. These funds are managed and paid to partners under Memorandums of Understanding (MoUs) signed between the charity and its partners. An MoU will reference the plans and budgets upon which an agreement has been made, and it will also contain a reporting and payment schedule. Payments are normally paid against a report from a partner detailing the work completed against its plans and money spent against the previously submitted budget. MoUs normally cover a period of 12-36 months. Funds received by the charity for a partner's project, but not yet guaranteed for payment, are held as restricted funds in the charity's accounts until firm commitments are made.

##### **Volunteer workers support fund**

The purpose of this fund is several-fold. This provides a cushion against fluctuating income for volunteer allowances and gives peace of mind to volunteer workers while serving with INF. It also provides liquid funds to enable the repatriation of all workers from Nepal in the event of a natural disaster or civil unrest. Finally, because living allowances are higher when a volunteer is on Home Assignment in his/her home country, an element of provision is needed to cover these higher costs.

##### **Welfare fund for volunteer workers**

This fund is a result of a major fundraising effort some years ago on behalf of Volunteer Workers. It has grown through continuing standing orders and now amounts to £12,144. One example of the way this fund is used are small individual grants offered to retired Volunteer Workers to assist for travel costs associated with INF Conferences.

##### **Purposes of designated funds**

##### **Operating reserve**

The policy of the board is to hold an operating reserve of 6–12 months of the budgeted annual costs of INF/UK to cover unforeseen operating events. The sum of £240,000 is held in this reserve being approximately 8 months budgeted annual costs for 2023/24.

##### **Nepal programmes**

Moneys allocated from the general fund for grants to partners in Nepal, but not yet disbursed, are designated as the programmes fund. Grants given by INF/UK are assessed against agreed criteria including INF's charitable purposes and its agreed vision and mission statements. Grants may be given for periods up to 3 years and are documented in memorandums of understanding with each partner.

##### **Investment in growth**

The charity recognises that it will incur costs as a result of its growth strategy ahead of generating income. Expenditure against the fund in 2022/23 relates to external fundraising costs.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2023

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#### 19. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	<b>2023</b>	2022
	£	£
Amount falling due:		
Within 1 year	<b>1,800</b>	4,500
Within 1 - 5 years	<u>-</u>	<u>-</u>
	<b><u>1,800</u></b>	<b><u>4,500</u></b>

#### 20. Related party transactions

There were no related party transactions during the year (2022: none).

#### 21. Financial instruments at fair value

	<b>2023</b>	2022
	£	£
Financial assets measured at fair value	<b><u>47,415</u></b>	<b><u>44,652</u></b>

Financial assets measured at fair value comprise listed investments.

#### 22. Contingent assets

The charity had been notified of a legacy at 31 March 2023 for which the final amount receivable was not known and therefore the legacy is not accrued. Indications are that the estimated value of this legacy is around £40k.

**INTERNATIONAL NEPAL FELLOWSHIP**

England & Wales - Charity number 1047178

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# Accounts

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# **INTERNATIONAL NEPAL FELLOWSHIP**

## **Annual Report and Audited Accounts Year ending 30 June 2022**

**International Nepal Fellowship is a registered charity (no. 1047178)**

We are a company limited by guarantee (no. 3060972), registered office at  
196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX

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## Chief Executive's Summary

### Hope springs from adversity

Although the world seems to have navigated its way out of the worst health crisis in modern times, the long-term impacts of the global Covid-19 pandemic will continue to have repercussions for decades to come. Developing nations will count the greatest cost, and Nepal will not be immune from this.

One certainty emerging from the pandemic is that existent inequalities have deepened. Our work focused on the most vulnerable and marginalised people and communities in Nepal is as important as ever before.

Looking back to July 2021, when the year covered by this report begins, the concerns in Nepal were far more immediate. Over the preceding two months, Nepal had become gripped by a devastating wave of Covid cases. Hospitals were overwhelmed, people were unable to seek the medical help they needed, and about 6,000 people had died.

According to the World Health Organisation (WHO), Covid caused the deaths of 12,000 Nepalis in total, which is 30% higher than the number of lives lost in the 2015 earthquake. Actual figures are likely to be much higher than those recorded by the WHO, due to the lack of accurate recording of deaths, particularly in remote communities.

As Nepal rebuilds from the damage caused by the global pandemic, we look forward to playing our part in helping the country progress in many areas – especially healthcare, developing livelihoods in remote communities, adapting to climate change, improving education, and responding to natural disasters.

The health services and community-focused projects summarised in this report give real examples of how – even during 12 months that began in such despair – your support really does make a difference.

The challenges that lie ahead may appear overwhelming. However, I have hope and confidence that Nepal will bounce back, as together we create opportunities for the most disadvantaged people to discover fullness of life.

It is testament to the resolve of the Nepali people, as well as the dedication of our partner charities who deliver the work you support, that I can speak about the future with hope.

Yours in hope,



**John Reynolds**  
Chief Executive Officer, INF/UK

The trustees present their report along with the audited financial statements of the charity for the year ended 30 June 2022.

Reference and administrative information set out on page 20 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (effective from January 2019).

## About INF UK

The International Nepal Fellowship (INF) is Nepal’s longest serving international NGO with nearly seven decades of experience working with Nepal’s poorest and most disadvantaged people and communities.

Today, INF in the UK is a forward-thinking and impactful organisation, fulfilling its charitable objectives and demonstrating public benefit through the support of:

- Healthcare services – including cutting-edge hospital services for the treatment and rehabilitation of disabled people.
- Community health and development in some of the most remote and least served areas of the country.
- Improving access to a quality education for people in rural communities, especially girls, children with disabilities, and other marginalised groups.
- Disaster relief, mitigation, and resilience responses.

Everything we do is only possible thanks to our amazing supporters – a collection of individuals, churches, trusts and foundations from across the UK and beyond who share our passion to see more Nepalis break free from poverty and suffering.

### OUR VISION

Life in all its fullness for Nepal’s poor and disadvantaged people and communities.

### OUR MISSION

Supporting local Nepali communities and healthcare services, to improve health, reduce poverty and promote social inclusion.

### OUR VALUES

- Love and compassion
- Inclusion and dignity
- Professional excellence

### OUR ETHOS

We are motivated by our Christian faith, showing active compassion for some of the world’s poorest, and encouraging individuals and communities to access and enjoy their rights is a holistic expression of our values.

We believe all people are equal, and so inclusion and dignity are very important to us, irrespective of gender, sexual orientation, religious belief, disability, economic status, caste, or any other feature.

### **DEMONSTRATING PUBLIC BENEFIT**

When deciding its priorities, trustees consider how these will further the charity's purposes for the public benefit. Trustees take account of The Charity Commission's general guidance on public benefit, its supplemental advice on the advancement of religion for public benefit, and its supplemental advice on prevention and relief of poverty for the public benefit.

Although visits to Nepal to monitor our partners' activities were limited due to Covid infection rates and international travel restrictions, INF/UK's Programmes Manager was able to visit several partners and projects in spring 2022, and in April the CEO and Chair of INF/UK met with the board and senior leadership team of INF Nepal. Numerous video-conferencing meetings were also held between INF/UK senior staff and our Nepali partners, to supplement project reporting and other regular communications.

## **Partners in Nepal**

We work through a small number of like-minded partners who share our vision and values. During the past year, these local NGOs in Nepal were:

**INF Nepal (INF/N):** As a member of the international INF family, our primary delivery partner is INF Nepal, a locally registered NGO based in Pokhara. Through our relationship with INF Nepal, we have supported hospitals in Pokhara, Surkhet and Banke; major community development projects in Bajura and Kalikot districts; and played a key role in supporting many of INF Nepal's disaster response activities.

**Asal Chhimekee Nepal (ACN):** The social action arm of the Pokhara Christian Community, a grouping of 50-plus churches based in the Pokhara area, whose name translates as 'Good Neighbour Nepal'. ACN has valuable expertise in helping communities respond to natural disasters. They work in conjunction and support of municipal authorities rather than independently, and will often mobilise their networks of local church communities across Nepal to support relief activities.

**Group of Helping Hands (SAHAS) Nepal:** A Kathmandu-based NGO with experience of helping rural communities develop in the poorest parts of Nepal, our partnership with SAHAS Nepal began with an education project in Bajura.

**Sarwangin Sewa Samaj (SSS):** A volunteer-led organisation in Nepalgunj, supporting very poor patients and their carers at the Bheri Zonal Hospital with essential needs that would otherwise not be met.

# Coronavirus in Nepal

## Supporting people affected by Covid-19

### Introduction

The second wave of Covid-19 cases, which impacted Nepal from May 2021, quickly overwhelmed the country's fragile healthcare system and caused widespread devastation.

Our partners' response, which began immediately and continued into the first half of the 2021/22 year covered by this report, helped over 4,000 people:

- 3,000 desperately hungry people received food relief.
- 10 isolation centres equipped with medical supplies.
- 200 hospital patients helped with Covid treatment, rehab, or telehealth.
- 800 children taught while schools remain closed.

### Feeding hungry families

With daily wage workers unable to earn during lockdown many families went hungry. 360 households (about 1,800 people) in Kaski and Nawalparasi received food packages from ACN, and SAHAS helped a further 240 of the poorest households in Bajura (about 1,300 people) with vouchers for food packages including rice, lentils, oil and salt.

### Equipping isolation centres

ACN supplied medical equipment, PPE, and medicines to 7 isolation centres in Nawalparasi and Gorkha for the treatment of Covid-19 patients.

SAHAS also supplied vital equipment for three isolations centres and health posts in Bajura, including oxygen for about 25 patients, and their support also included other medical equipment, masks, and staff training. In addition, free mask banks provided 4,897 people with disposable facemasks to help prevent the risk of Covid-19 transmission within communities.

### Helping patients

Covid-infected patients seeking treatment in Banke district were supported by SSS. This included 42 patients at Bheri Zonal hospital – which due to its location on the border with India was on the frontline of fighting Covid-19 in Nepal – with food, medicine, and laboratory costs such as x-rays and blood tests. A further 50 patients living in the area were helped with PCR tests, food supplies, medicines, and transport to hospital.

INF Nepal helped over 100 patients by providing physio, counselling and rehabilitation services to assist in the recovery of Covid-19 patients, as well as telehealth services for people unable to access outpatient support due to lockdowns.

### Supporting remote communities

SAHAS' support in Bajura also included the continued running of 12 Community Managed Coaching Centres (CMCCs) which delivered tutoring to 274 students. To keep students engaged in home-based

learning, 800 students (especially girls and lower caste Dalits) were given printed materials while schools were closed due to lockdowns, to help reduce the risk of them not returning to complete their education.

SAHAS also created awareness-raising radio broadcasts about Covid-19 and key social issues such as child protection, gender-based violence, and mental health.

## Healthcare

### Green Pastures Hospital, Pokhara

#### Introduction

Green Pastures Hospital (GPH) is INF Nepal's flagship hospital in Pokhara, which is Nepal's second city in the mid-west Gandaki province.

In a challenging year for healthcare across the globe due to the continuing Covid pandemic, GPH continued to develop its services and infrastructure. New projects – including the post-Covid and community medical outreach projects covered in this report – were significant milestones. In summer 2021 the construction of a new leprosy ward started (full details of which will be in next year's Annual Report).

As a result, the hospital has continued to make progress towards its core vision of becoming a Centre of Excellence in the Holistic Care and Prevention of Disability, transforming lives and communities for the most disadvantaged people of Nepal.

This year also saw the appointment of a new Hospital Director, Dr Arun Kumar Budha, who joined GPH in December 2021.

In recent years the hospital has made significant steps towards becoming more self-sufficient, moving away from an over-reliance on international funding for its core services. However this has been more of a challenge during the Covid pandemic, with patients who can afford the cost of their own treatment unable to access services due to lockdowns and other restrictions.

The hospital's biggest source of income during the year was from international funders. INF/UK's support during this year was equivalent to 38% of all international donations (and almost 5% of the hospital's total income). This was primarily to help meet the shortfall in the hospital's finances across all departments, funding about half of all GPH staff costs over the year.

#### Post-Covid rehabilitation (Programme Aasha)

A 12-month project was created to develop GPH's services to support their rehabilitation of people suffering from post-Covid complications. This was delivered through a new partnership with the UK's

Defence Medical Rehabilitation Centre (DMRC) in Leicestershire, which is the Ministry of Defence's premier rehabilitation service for the UK's armed forces.

The project was focused on people with disabilities, sharing the knowledge, learning and protocols that had been built up at DMRC since the start of the pandemic. This enabled many disabled people to return to normal life in their communities as a multi-disciplinary approach was developed and refined during the year.

Overall, 38 patients received post-Covid consultancy and rehabilitation services at GPH (9 of whom were admitted to the hospital for complication management). Most of the patients admitted had the problems with shortness of breath, fatigue, and multiple joint pain. Also, 94 patients agreed to telehealth consultations (out of 1,064 patients who were contacted).

Sadly, one post-Covid patient who had complications due to her leprosy passed away, and other patients were impacted by challenges which prevented them accessing the rehab on offer, or a reluctance participate in the new concept of telehealth support.

## **Leprosy**

GPH's leprosy programme continues to contribute to the goal of 'zero transmission, zero discrimination, and zero disability'. It works towards this aim through early case detection, provision of inpatient services, healthcare education and self-care techniques, reconstructive surgeries, and provision of assistive devices.

To aim is to provide high quality leprosy services and reduce disabilities caused by leprosy in western Nepal. In 2021/22 this involved:

- 1,804 people received outpatient services.
- All of the 282 admitted inpatients were given self-care training.
- 100% of leprosy patients were discharged with an improved health condition.

## **Spinal cord injuries (SCI) and other disabilities**

GPH provided surgical and rehabilitation services to patients with spinal cord injuries and other disabilities such as cerebral palsy, stroke, and ortho-related cases. The hospital provided health education, essential equipment, assistive and mobility aids such as wheelchairs, food and medicine to these patients to reduce secondary complications.

The main achievements during 2021/22 included:

- 13,508 patients with physical disabilities received outpatient care.
- 5,180 physiotherapy sessions attended.
- 4,949 occupational therapy sessions attended, including bowel and bladder management, provision of education and information on sexual and reproductive health, and activities of daily living.

- 1,726 assistive aids (such as wheelchair, toilet chair, pressure-relieving mattress, cushions, and other mobility aids) provided to patients with physical disabilities.
- 415 surgeries were conducted for patients with physical disabilities.

### **Palliative Care**

Following the opening of the new Palliative Care Centre at GPH in late 2020, work in 2021/22 involved purchasing additional equipment and creating a sensory garden to be enjoyed by patients, thanks to the continued support of an international donor.

Equipment purchased included a patient hoist and defibrillator, along with other items to improve the quality of care available at the centre.

The sensory garden is a beautiful space and a wonderful addition to the landscape and environment at GPH. Unique for Nepal, it has enhanced the a holistic healing environment for patients. The garden has been designed incorporating two pre-existing chautaras (Nepali traditional seating areas around large trees), with flowers, plants, trees, as well as mosaic-topped benches and a table. It has already become a favourite place for patients, families and also for staff.

### **Children with Developmental Disorders**

This is a development of the previous cerebral palsy clinic and camps, to increase access to integrated and affordable clinical services for children with a wider range of developmental disorders and their carers. The expansion of the scope of this service led to more families accessing treatment and therapy, which benefited 172 children during the year.

### **Ear Centre**

The Ear Centre was supported with the purchase of various items of equipment in May 2022. This included a device for assessing vertigo, allowing the centre to start a new weekly clinic for patients suffering with this condition, and improved overhead lighting for the operating theatre.

Overall, the Ear Centre delivered 14,337 outpatient appointments and 446 patients admitted as inpatients for a range of surgical interventions.

Towards the end of 2021, ear surgeon Mike Smith returned to Nepal after a 20 month break due to Covid travel restrictions and was able to get a three month work permit to spend time back in Pokhara. This visit gave Mike the opportunity to continue to develop Ear Centre staff, including surgical expertise, as he begins to transition back to life in the UK.

## **Healthcare in Surkhet and Banke**

### **Shining Hospital, Surkhet: Medical Charity Fund**

Outpatient services have continued to serve people needing treatment and rehabilitation in Surkhet district, while INF Nepal has been exploring future plans to ensure the long-term viability of re-establishing a more comprehensive service at Shining Hospital.

Our support during 2021/22 has been focused on the Medical Charity Fund for patients in Surkhet who would otherwise be unable to afford treatment. For the 37 people who benefited during the year, this usually involved referrals for treatment at other hospitals, including GPH and the more local government-run Karnali Provincial Hospital.

### **Fistula Centre, Surkhet**

This specialist centre in Surkhet treats women with obstetric fistula, a condition which causes the bladder to leak following childbirth complications. Cases often come from women living in rural communities where awareness is low and there are inadequate obstetric services.

Shirley Heywood has been training up Dr Shuvechchha, a Nepali medic who has been accepted as a Fistula trainee by FIGO, the International Federation of Obstetrics and Gynaecology. This year she completed her basic training at the Hamlin Fistula Hospital in Addis Ababa, Ethiopia.

Dr Shuvechchha's training has been particularly valuable when Shirley was back in the UK towards the end of the year, as she has been able to operate on uncomplicated fistula cases and contribute to the general gynaecology service at the neighbouring Karnali Provincial Hospital as well as being involved in fistula screening camps.

### **Sarwangin Sewa Samaj (SSS), Banke**

SSS is a volunteer-led organisation which supports patients and their carers at the Bheri Zonal Hospital in Nepalgunj, Banke district.

They played a key role in the Covid response activities (see page 6-7) and had contact with about 2,000 patients over the 12 months covered by this report. Almost 400 were provided with food by SSS during their hospital stay and almost 200 patients were assisted with the cost associated with their treatment, including medicines, tests, and travel.

# Community Health and Development (CHD)

## Community Health

### Community Medical Outreach

This new project to improve the health of vulnerable communities living in remote districts began in April 2021, so completed its first full year during the period covered by this report. It builds on INF's history of running medical camps to reach the most marginalised communities.

As well as medical camps to screen and treat people for a range of disabilities, the project also helps communities prepare for and respond to natural disasters, including with first aid training.

Disability and dermatology camps screened more than 3,600 people in across eight districts in the first 15 months of the project.

Dermatology camps help identify people with skin conditions including leprosy, so treatment can be prescribed and avoid further complications. Health workers in the districts in several districts have also been trained to help identify cases of leprosy and other conditions.

Camps for people with disabilities have provided on the spot services such as medical consultations, physiotherapy, prosthetic and orthotic assessment, as well as provision of devices, equipment and medicines.

Dr Suraj, the consultant plastic surgeon at Green Pastures, carried out 34 reconstructive and orthopaedic surgeries on visits to Banke and Bardiya districts. Other people with issues identified at these medical camps have been referred for further rehabilitation, including at Green Pastures.

### Leprosy Free Communities, Banke

This project is also based around the delivery of camps to identify and treat people with leprosy in remote communities, as well as training local health workers to strengthen the long-term local healthcare provision.

Over the year, 110 people identified by this project's camps in Banke and Bardiya districts were diagnosed with leprosy following confirmatory tests at Green Pastures hospital.

## Community Development

### Community Resilience and Development project, Kalikot

This three-year project came to an end in June 2022, following a six-month extension due to disruption caused by the Covid pandemic.

During this project 90 self-help groups have helped transform people's lives and brought about sustainable change in local communities. Their action plans have included constructing and renovating drinking water systems, irrigation canals and walking trails, as well as building toilets, drainage, waste pits and check dams to prevent flooding in the rainy season.

In the past year, 274 people were trained on preparing and using organic pesticide, to prevent their crops from being damaged.

Also, 33 people started new business such as vegetable farming, poultry farming, retail shops, buffalo farming, hotels and nurseries, earning on average 5,000 NPR per month to help with costs such as food and children's education.

Other key issues such as sanitation, disability awareness, and financial savings were also addressed.

### **Inclusive Development, Empowerment and Livelihood (IDEAL) project, Bajura**

The IDEAL project has continued empowering the self-help groups, disability networks, and farmers' groups. This has been achieved through regular facilitation, capacity development training, workshops, and organising awareness-raising events on basic human rights issues (especially gender and disability rights).

The focus on improving farming-based livelihoods of poor and vulnerable people has included training small-hold farmers on crop diversification, production of high value crops, climate friendly and improved farming practices, and supporting people to put their knowledge gained into practice.

Local health provision has been improved by identifying and addressing the issues and needs of health institutions, as well as raising awareness of health issues amongst the population to help identify conditions which need treatment.

## **Climate Adaptation**

### **Climate Change Adaptation for Sustainable Livelihoods, Bajura**

This project is seeking to increase the resilience of affected communities in the remote Bajura District of Nepal – by building skills and capacity to prepare for climate and disaster threats.

Due to Covid disruption, the first year of the project was extended until April 2022. Over three years, the project is aiming to directly benefit a total of 6,112 people (with over 20,000 benefiting indirectly). People living in remote areas in the Gaumul and Badimalika Municipalities of Bajura are receiving training and resources to improve household income, and local governments and communities are being equipped to minimise the impact of disasters and climate change on their livelihoods and wellbeing.

To help achieve the project aims, INF will provide improved cooking stoves for 700 homes, with the municipality and UNICEF helping a further 2,000 households.

## Education

### Inclusive and Quality Education for Girls, Bajura

Group of Helping Hands (SAHAS) Nepal is implementing this project which aims to minimise educational marginalisation, especially for girls in rural areas. Over three years this will involve 12 schools in three rural municipalities.

In the first year, the project was implemented in Kailashewori Secondary School, Manakot Secondary School, and Jalpa Secondary School. Project activities included training, educational materials support, promotion of child-friendly teaching techniques, and many more. A total of 62% of students passed their examinations and 25% of students improved their achievements in English, Maths and Science.

The most vulnerable and marginalised students are at a high risk of dropping out of school due to weak economic status, looking after younger siblings, or managing their household chores. The project provided scholarships and educational materials for such students, which has helped continue their education or reduce the risk of leaving school. This year, 90% of students from marginalised families completed the academic year and have enrolled for the next grade.

## Disaster Relief

### Monsoon 2021 response

As monsoon season began to impact Nepal in mid-June 2021, **Manang** was one of the worst affected areas, with at least 200 houses submerged. Two churches, schools, bridges and electricity wires were swept away – leaving many remaining homes inaccessible and without power.

Asal Chhimekee Nepal help 800 of the most vulnerable people, with emergency food and medicine supplies flown in by helicopter as many roads were blocked.

Later in the season, heavy rain caused flooding in **Bardiya**. INF Nepal led the response in this district, with 120 families provided with food items, shelter, and hygiene kits.

# Financial Activities of the Charity

## Summary

During 2020-21, total incoming resources were £758,738 (2021: £778,405). Most of its funds are sourced from private individuals, trusts and churches.

Total expenditure was £876,401 (2021: £587,928).

Expenditure last year was significantly less than funds raised. This was almost entirely due to disruption and delays in projects brought about by the impact of COVID. Last year's Director's report anticipated a re-balancing during 2021-22, and this is duly reflected in this year's expenditure figures.

## Funds

### *(a) General Fund*

Total income on the General Fund was £359,537 (2021: £232,068). This was mainly made up of general donations, legacy income, and investment income. General donations increased significantly due to a combination of major gifts and legacies.

### *(b) Gifts for Partners' Programmes and Projects*

This is income for the work amongst Nepalis. Income was £363,296 (2021: £514,620).

Partner income was significantly lower due to a reduction in project proposals shared by our main partner, INF/N. The reasons for this centred around two key Director Positions lying vacant for several months coupled with adequate cover for these leadership positions being unavailable.

The delay in filling these key positions and the lack of adequate cover meant that INF/UK suspended new project commitments until this leadership issue had been addressed and satisfactorily resolved, in the meantime existing commitments were rigorously managed to minimise any risk to INF/UK and its donors.

INF/UK is pleased to report that the leadership issues have been satisfactorily addressed. Two new, well qualified, Directors were appointed for the Health and Community Directorates, and the INF/N Senior Leadership Team underwent a welcome reset. INF/UK are pleased to report that working relationships within INF/N's Senior Leadership Team are very good, and that the working relationship between the senior teams of INF/UK and INF/N is the best it has been for many years.

The board believe the robust approach adopted by INF/UK, and its support of a resolution to the issues experienced by our partners, is evidence of the seriousness it places on its governance responsibilities, and its responsibilities to donors.

### *(c) Support fund*

Historically, Mission Workers were recruited by INF/UK to serve in Nepal. A strategic decision was taken four years ago to exit this part of its operations. No new missionaries were to be recruited, but the charity would continue to support those partners that were still working in Nepal until they left the organisation.

The Support Fund is the restricted fund that has been used to support mission worker salaries and costs. Funds are raised from church groups, trusts and personal supporters, many of whom

represent friendship contacts from the volunteers' church groupings. The Support Fund is a pooled resource and guarantees an even level of allowance while a volunteer is in the service of INF.

During the current financial year, support income was £24,961 (2021: £31,717). This is entirely consistent with expectations following the charity's strategic decision in 2018 to no longer recruit expatriate workers to work in Nepal.

## Reserves

### (a) Unrestricted reserves

- i. The policy of the board of trustees is to hold General Operating Reserves of 6-12 months of the budgeted annual costs of INF/UK in a designated Operating Reserve, to cover unforeseen events. The sum of £240,000 is held in this reserve and represents 8 months budgeted annual costs for 2022-23.
- ii. The board adopted a strategic growth plan in 2019. The pandemic, and subsequently the effect of the war in Ukraine and ensuing cost of living crisis, have had an impact on the original outcomes anticipated when this plan was set. The board have revisited the plan and revised some figures downwards to reflect the economic challenges facing Charities in the UK. Notwithstanding this, the board have reaffirmed its desire to focus on growth, rather than retrench and hope for a better economic climate.

The trustees have designated £125,000 of the charity's General Reserves to cover anticipated shortfalls on its General Fund resulting from its strategic plan over the coming 2-3 years. Examples of these additional costs are additional staff costs incurred and associated with its strategic plan for growth ahead of generating new income streams.

General Income in 2022 was sufficient to not need to draw upon this reserve during the year.

- iii. The trustees also designated some of its General Reserves in support of its Programmes Fund. This underpins its commitment to additional projects in Nepal as part of its growth strategy. These additional funds will enable the charity to commit to partner projects ahead of raising funds for them.

The total of unrestricted funds held as at 30 June 2022 is as follows:

Unallocated General Funds	£12,834
Designated: Future Growth	£125,000
Designated: Programmes	£165,979
Designated: Operating Reserve	£240,000
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>£543,813</b>

### (b) Restricted reserves

These are funds held on behalf of a project, or for a restricted purpose.

The charity raises funds to support its partners' programmes and projects, primarily from individuals, trusts and foundations. These funds are managed and paid to partners under Memorandums of

Understanding (MoUs) signed between the charity and its partners. An MoU will reference the plans and budgets upon which an agreement has been made, and it will also contain a reporting and payment schedule. Payments are normally paid against a report from a partner detailing the work completed against its plans and money spent against the previously submitted budget. MoUs normally cover a period of 12-36 months. Funds received by the charity for a partner's project, but not yet guaranteed for payment, are held as restricted funds in the charity's accounts until firm commitments are made.

The total value of restricted funds held as at 30 June 2022 was £717,693 (2021: £887,142).

### **Investment policy**

The trustees have the power to invest in such assets as they see fit. Safety of the Charity's assets is an important factor for the board and consequently most of its reserves are held in cash at well known banks.

### **Events after the reporting period**

None.

### **Charity details**

The International Nepal Fellowship (also known as INF/UK) is a registered charity (number 1047178) and a company limited by guarantee (number 03060972).

During 2021-22 the Charity moved offices and its new business address is 196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX. This is also the registered address of the company.

## **Structure, governance, and management**

### **Governing document**

INF/UK is a company limited by guarantee and it is also a Charity registered with the Charity Commission of England and Wales. It is governed by its Articles of Association that were updated in March 2020. There are currently seven members of the company, each of whom agrees to contribute £1 in the event of the charity winding up.

### **Appointment of trustees**

New trustees are recruited through a mix of advertising (through INF publications) and direct approach by the trustees. The Chair manages the trustee profile proactively to ensure that a balance is maintained and so that it does not become stale. Natural turnover of trustees aids this process, ensuring new trustees are appointed on a regular basis.

The Chair monitors the skills mix, experience, and length of service of trustees. When appointing new trustees, the trustees consider the existing skills mix and experience of current trustees.

### **Trustee induction and training**

New trustees undergo an induction programme led by the Chair of trustees. The programme includes a history of INF/UK and its work, a copy of its accounts, its Memorandum and Articles of Association, and key internal documents including INF/UK's strategic plan. It also draws heavily on the NCVO publication 'The Good Trustee Guide'. Once appointed, trustees continue to receive training during trustee meetings and their contribution is reviewed by the Chair of trustees.

### **Organisation**

The board of trustees administers the charity and is responsible for the overall direction of the organisation and the policies that govern the way the organisation functions. The trustees normally meet four times a year.

Responsibility for the day-to-day leadership and management of the charity is delegated to the Chief Executive Officer (CEO), who is appointed by the trustees and is responsible for achieving the charity's strategic goals. To facilitate effective operations, the CEO has delegated authority, within terms of delegation approved by the trustees, for all operational matters including finance and employment. The CEO is line-managed by the Chair on behalf of the trustees.

### **Related parties and co-operation with other organisations**

None of the trustees receive remuneration or other benefits from their work with the charity. Any connection between a trustee or senior manager of the charity with any supplier or beneficiary must be disclosed to the full board of trustees, similarly any other contractual relationship with a related party. In the current year no such related party transactions were reported.

While INF/UK's principal partners are INF/N and ACN, there are no voting or appointment rights in respect of either of these, neither is there any other form of control over them, or by them of INF/UK.

### **Pay policy for senior staff**

All trustees give of their time freely and no trustee received a remuneration in the year. Details of trustee expenses and related party transactions are disclosed in note 7 to the accounts.

The pay of senior staff is reviewed annually, and normally increased in accordance with average earnings. In view of the nature of the charity, the director's salary is benchmarked against pay levels in other similar charities of a similar size and complexity.

### **Risk management**

The trustees have a risk management strategy which comprises of:

- i. A regular review is undertaken by the trustees of principal risks and uncertainties that the charity faces.

Given the significant additional risks associated with the Covid-19 pandemic and more recently the impact of the war in Ukraine on energy prices and inflation, risks have been kept under constant review by the CEO and the trustees.

The CEO attends regular and frequent sector meetings with other CEOs under the auspices of Bond, a UK network for organisations working in international development. Sector wide information is shared, as is the impact that the pandemic and cost of living crisis is having on

similar organisations. INF/UK is a relatively small organisation, without a restricting bureaucracy, it is therefore able to be nimble and respond quickly to emerging threats.

The charity is aware that the impact of Covid-19 and the subsequent war in Ukraine will be felt at least for the next three years. It is in the fortunate position of having a good level of general reserves, and it is structuring these to meet anticipated operational losses over this period as it retains its strategic focus for growth.

The charity is also acutely aware of the risks faced by its partners in Nepal. The CEO is in close contact with the leadership teams of its partners to keep abreast of the risks they are facing. The charity's partners in Nepal enjoy support from a wide range of donors from around the world so to keep abreast of wider global risks in the sector, the CEO is in personal contact with leaders in INGOs in Australia, Germany and Canada.

- ii. The charity has established policies, systems, and procedures to mitigate risks identified in its reviews.
- iii. Earthquake is a major risk to the charity's work and its staff in Nepal. A contingency plan is in place, which was stress-tested during the major earthquake in 2015 and found to be robust and appropriate.

### **Safeguarding**

INF UK believes that all people have a right to feel safe and valued, and to live their lives free from coercion, modern slavery, sexual violence, harassment, and abuse. We seek to proactively encourage a culture where issues and concerns about safeguarding are raised and discussed, and where we provide a safe environment for all people that the organisation engages with.

The INF UK Board of Trustees is responsible for holding INF UK accountable for compliance with UK safeguarding law and best practice and ensuring that our partners are also following safeguarding policy and practice. The Board understands its legal duty to be accountable and responsible for Safeguarding for all persons who represent, support or benefit from the operations of INF UK. The Board appoints one of its members as a "Safeguarding Lead Trustee", for a term of three years. The current Safeguarding Lead Trustee is Rosie Hart.

Safeguarding is a fixed agenda item for all Board meetings and any concerns or issues are discussed by the CEO and the Safeguarding Lead Trustee as and when they arise and actioned as appropriate. During the 2021-22 year there was one safeguarding concern raised in relation to a beneficiary of one of INF UK's partners. Further investigations were able to confirm that this was satisfactorily dealt with by the partner in Nepal and in accordance with INF/UK's safeguarding policy.

### **Small company provisions**

The trustees' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption provided by section 408 and section 414B (b) of the Companies Act 2006.

## **Voluntary help and gifts in kind**

The trustees are very grateful to a number of volunteers who have helped in various aspects of our work during the past year and are seeking to increase this input in the coming year.

## **Statement of responsibilities of the trustees**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have 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 charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

**Auditors**

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 7 February 2023 and signed on their behalf by:

*Michael Thomas*

Michael Thomas – Chair

## International Nepal Fellowship

### Reference and administrative details

For the year ended 30 June 2022

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<b>Company number</b>	3060972
<b>Charity number</b>	1047178
<b>Registered office and operational address</b>	196-198 Edward Road Balsall Heath Birmingham B12 9LX
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:  Michael Thomas (Chair) Vijaya Adhikari Steven Collins Rosemary Hart Professor Andrew Lymer (Treasurer) David McConkey Dr Ian Smith
<b>Chief executive officer</b>	John Reynolds
<b>Bankers</b>	Bank of Scotland 33 Old Broad Street London EC2N 1HW
<b>Solicitors</b>	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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#### **Opinion**

We have audited the financial statements of International Nepal Fellowship (the 'charity') for the year ended 30 June 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## Independent auditors' report

To the members of

### International Nepal Fellowship

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#### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Alison Godfrey*

Date: 13 February 2023

**Alison Godfrey FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:

**Godfrey Wilson Limited**

Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

## International Nepal Fellowship

### Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 June 2022

	Note	Restricted £	Unrestricted £	2022 Total £	2021 Total £
<b>Income from:</b>					
Donations and legacies	3	399,201	359,077	<b>758,278</b>	777,762
Investments	4	-	460	<b>460</b>	643
<b>Total income</b>		<u>399,201</u>	<u>359,537</u>	<u><b>758,738</b></u>	<u>778,405</u>
<b>Expenditure on:</b>					
Raising funds		-	149,796	<b>149,796</b>	112,714
Charitable activities		<u>568,650</u>	<u>157,955</u>	<u><b>726,605</b></u>	<u>475,214</u>
<b>Total expenditure</b>	6	<u>568,650</u>	<u>307,751</u>	<u><b>876,401</b></u>	<u>587,928</u>
Net gains / (losses) on investments		-	(3,036)	<b>(3,036)</b>	5,000
<b>Net income / (expenditure) and net movement in funds</b>	7	(169,449)	48,750	<b>(120,699)</b>	195,477
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>887,142</u>	<u>495,063</u>	<u><b>1,382,205</b></u>	<u>1,186,728</u>
<b>Total funds carried forward</b>		<u><u>717,693</u></u>	<u><u>543,813</u></u>	<u><u><b>1,261,506</b></u></u>	<u><u>1,382,205</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the accounts.

## International Nepal Fellowship

### Balance sheet

As at 30 June 2022

	Note	£	2022 £	2021 £
<b>Fixed assets</b>				
Tangible assets	11		<b>2,271</b>	1,960
Investments	12		<b>44,652</b>	47,688
			<b>46,923</b>	49,648
<b>Current assets</b>				
Debtors	13	<b>22,094</b>		34,627
Current asset investments		<b>1,000,000</b>		1,000,000
Cash at bank and in hand		<b>410,166</b>		454,393
		<b>1,432,260</b>		1,489,020
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	14	<b>(184,594)</b>		(156,463)
<b>Net current assets</b>			<b>1,247,666</b>	1,332,557
<b>Total assets less current liabilities</b>			<b>1,294,589</b>	1,382,205
Creditors: amounts falling due after 1 year	15		<b>(33,083)</b>	-
<b>Net assets</b>	17		<b>1,261,506</b>	1,382,205
<b>Funds</b>	18			
Restricted funds			<b>717,693</b>	887,142
Unrestricted funds				
Designated funds			<b>530,979</b>	465,000
General funds			<b>12,834</b>	30,063
<b>Total charity funds</b>			<b>1,261,506</b>	1,382,205

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 7 February 2023 and signed on their behalf by

*Michael Thomas*

Michael Thomas - Chair

## International Nepal Fellowship

### Statement of cash flows

For the year ended 30 June 2022

	2022 £	2021 £
<b>Cash used in operating activities:</b>		
Net movement in funds	(120,699)	195,477
<i>Adjustments for:</i>		
Depreciation charges	1,231	1,896
Loss on disposal of equipment	935	-
(Gains) / losses on investments	3,036	(5,000)
Investment income	(460)	(643)
Decrease / (increase) in debtors	12,534	4,322
Increase / (decrease) in creditors	61,214	(147,632)
<b>Net cash provided by / (used in) operating activities</b>	<b>(42,209)</b>	<b>48,420</b>
<b>Cash flows from investing activities:</b>		
Investment income	460	643
Purchase of tangible fixed assets	(2,478)	-
<b>Net cash used in investing activities</b>	<b>(2,018)</b>	<b>643</b>
<b>Increase / (decrease) in cash and cash equivalents in the year</b>	<b>(44,227)</b>	<b>49,063</b>
Cash and cash equivalents at the beginning of the year	1,454,393	1,405,330
<b>Cash and cash equivalents at the end of the year</b>	<b>1,410,166</b>	<b>1,454,393</b>
<b>Total cash and cash equivalents comprise:</b>		
Current asset investments	1,000,000	1,000,000
Cash at bank and in hand	410,166	454,393
<b>Cash and cash equivalents at the end of the year</b>	<b>1,410,166</b>	<b>1,454,393</b>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2022

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#### 1. Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Nepal Fellowship meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

##### b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

##### c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

##### d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

##### e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2022

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#### 1. Accounting policies (continued)

##### f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### g) Grants payable

Grants payable are recognised as expenditure when the commitment is entered into. Where such a grant is to be paid over instalments, the outstanding balance is recognised as a liability to the extent that a legal or constructive obligation exists.

##### h) Allocation of support and governance costs

Support costs are the costs incurred by UK-based staff, directly providing support for the staff and programmes based in Nepal. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the proportion of all direct costs, as follows:

	2022	2021
Raising funds	17%	19%
Charitable activities	83%	81%

##### i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as

Computer equipment	3 years straight line
--------------------	-----------------------

Items of equipment are capitalised where the purchase price exceeds £1,000 (2021: £500). This was approved by the trustees in June 2022.

##### j) Investments

Investments are valued at market value in accordance with the SORP. Changes in value during the period are reported as gains/losses in investment assets in the SOFA.

##### k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash held in longer term deposit accounts is classified as current asset investments on the balance sheet.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2022

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#### 1. Accounting policies (continued)

##### m) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### n) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### o) Pension costs

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. There are no further liabilities other than that already recognised in the SOFA.

##### p) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Exchange differences are recognised in the SOFA.

##### q) Operating leases

Payments made under operating leases are charged on a straight line basis over the term of the lease.

##### r) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

#### **Depreciation**

As described in note 1i to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

**International Nepal Fellowship**

**Notes to the financial statements**

**For the year ended 30 June 2022**

**2. Prior period comparatives: statement of financial activities**

	Restricted £	Unrestricted £	2021 Total £
<b>Income from:</b>			
Donations and legacies	546,337	231,425	<b>777,762</b>
Investments	-	643	<b>643</b>
<b>Total income</b>	<b>546,337</b>	<b>232,068</b>	<b>778,405</b>
<b>Expenditure on:</b>			
Raising funds	-	112,714	<b>112,714</b>
Charitable activities	317,507	157,707	<b>475,214</b>
<b>Total expenditure</b>	<b>317,507</b>	<b>270,421</b>	<b>587,928</b>
Net gains on investments	-	5,000	<b>5,000</b>
<b>Net income / (expenditure) and net movement in funds</b>	<b>228,830</b>	<b>(33,353)</b>	<b>195,477</b>

**3. Income from donations and legacies**

	Restricted £	Unrestricted £	2022 Total £
Donations for partners' programmes and projects	329,296	34,000	<b>363,296</b>
Volunteer worker support fund	24,961	-	<b>24,961</b>
General donations	-	275,879	<b>275,879</b>
Legacy income	44,944	49,198	<b>94,142</b>
<b>Total income from donations and legacies</b>	<b>399,201</b>	<b>359,077</b>	<b>758,278</b>
<b>Prior period comparative:</b>			2021
	Restricted £	Unrestricted £	Total £
Donations for partners' programmes and projects	514,620	-	514,620
Volunteer worker support fund	31,717	-	31,717
General donations	-	230,925	230,925
Legacy income	-	500	500
<b>Total income from donations and legacies</b>	<b>546,337</b>	<b>231,425</b>	<b>777,762</b>

**International Nepal Fellowship**

**Notes to the financial statements**

**For the year ended 30 June 2022**

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**4. Investment income**

	<b>2022</b>	2021
	£	£
Bank interest	<u><b>460</b></u>	<u>643</u>

All investment income in the current and prior period was unrestricted.

**5. Government grants**

The charitable company did not receive any government grants in the current or prior period.

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2022

6. Total expenditure

	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2022 Total £
Grants payable (note 8)	-	470,222	-	-	470,222
Volunteer workers support costs	-	11,513	-	-	11,513
Website, CRM and outsourced services	48,083	-	-	-	48,083
Fundraising expenses	21,223	-	-	-	21,223
Personnel costs (note 9)	35,735	27,777	216,854	-	280,366
Premises and office costs	-	-	20,701	-	20,701
Finance, legal and professional	-	-	10,405	8,640	19,045
Depreciation	-	-	1,231	-	1,231
Trustee expenses	-	-	-	2,721	2,721
Exchange (gains) / losses	-	-	361	-	361
Loss on disposal of fixed assets	-	-	935	-	935
<b>Sub-total</b>	105,041	509,512	250,487	11,361	876,401
Allocation of support and governance costs	44,755	217,093	(250,487)	(11,361)	
<b>Total expenditure</b>	<b>149,796</b>	<b>726,605</b>	<b>-</b>	<b>-</b>	<b>876,401</b>

**International Nepal Fellowship**

**Notes to the financial statements**

**For the year ended 30 June 2022**

**6. Total expenditure**

<b>Prior period comparative:</b>	Raising funds £	Charitable activities £	Support costs £	Governance costs £	<b>2021 Total £</b>
Grants payable (note 8)	-	222,105	-	-	<b>222,105</b>
Volunteer workers support costs	-	8,045	-	-	<b>8,045</b>
Website, CRM and outsourced services	6,758	-	-	-	<b>6,758</b>
Fundraising expenses	22,120	-	-	-	<b>22,120</b>
Personnel costs (note 9)	32,344	27,968	229,139	-	<b>289,451</b>
Premises and office costs	-	-	17,494	-	<b>17,494</b>
Finance, legal and professional	-	-	7,864	7,860	<b>15,724</b>
Depreciation	-	-	1,896	-	<b>1,896</b>
Trustee expenses	-	-	-	686	<b>686</b>
Exchange (gains) / losses	-	-	3,649	-	<b>3,649</b>
<b>Sub-total</b>	<b>61,222</b>	<b>258,118</b>	<b>260,042</b>	<b>8,546</b>	<b>587,928</b>
Allocation of support and governance costs	51,492	217,096	(260,042)	(8,546)	
<b>Total expenditure</b>	<b>112,714</b>	<b>475,214</b>	<b>-</b>	<b>-</b>	<b>587,928</b>

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2022

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#### 7. Net movement in funds

This is stated after charging:

	2022	2021
	£	£
Depreciation	1,231	1,896
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	2,721	686
Auditors' remuneration:		
▪ Statutory audit (including VAT)	<u>8,340</u>	<u>7,860</u>

Trustees' reimbursed expenses relate to board meeting expenses incurred by 7 trustees (2021: 7 trustees).

#### 8. Grants payable to partners

	2022	2021
	£	£
INF Nepal	439,561	120,116
Asal Chhimekee Nepal (ACN)	22,300	44,303
Group of Helping Hands (SAHAS) Nepal	-	43,710
Sarwangin Sewa Samaj	5,750	10,879
Grants < £5k	<u>2,611</u>	<u>3,097</u>
<b>Total grants payable</b>	<b><u>470,222</u></b>	<b><u>222,105</u></b>

All grants are paid to fund charitable activities in Nepal. The grants shown above do not include any support cost allocations.

#### 9. Staff costs and numbers

Staff costs were as follows:

	2022	2021
	£	£
Salaries and wages	234,943	238,508
Social security costs	16,397	17,129
Pension costs	23,282	25,232
Courses, travel and other	<u>5,744</u>	<u>8,582</u>
	<b><u>280,366</u></b>	<b><u>289,451</u></b>

No employee earned more than £60,000 during the year (2021: none).

The key management personnel of the charitable company comprise the Trustees and Chief Executive Officer. The total employee benefits of the key management personnel including gross wages, employer's national insurance and pension contributions were £60,262 (2021: £54,421).

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2022

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#### 9. Staff costs and numbers (continued)

	<b>2022</b>	2021
	<b>No.</b>	No.
Average head count	<u><u>9.25</u></u>	<u><u>9.33</u></u>

#### 10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 11. Tangible fixed assets

	<b>Computer equipment</b>
	<b>£</b>
<b>Cost</b>	
At 1 July 2021	37,144
Additions in year	2,478
Disposals in year	<u>(33,790)</u>
At 30 June 2022	<u>5,832</u>
<b>Depreciation</b>	
At 1 July 2021	35,184
Charge in year	1,231
Disposals in year	<u>(32,855)</u>
At 30 June 2022	<u>3,560</u>
<b>Net book value</b>	
<b>At 30 June 2022</b>	<u><u>2,271</u></u>
At 30 June 2021	<u><u>1,960</u></u>

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2022

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#### 12. Investments

	2022 £	2021 £
Market value at 1 July 2021	47,688	42,688
Unrealised gains / (losses)	<u>(3,036)</u>	<u>5,000</u>
<b>Market value at 30 June 2022</b>	<b><u>44,652</u></b>	<b><u>47,688</u></b>
<b>Historical cost</b>	<b><u>26,922</u></b>	<b><u>26,922</u></b>

The above investments held with Invesco and Blackrock were originally acquired by International Nepal Fellowship, before the company was incorporated. The investments were transferred to the company on 15 July 1996 at the market value of £9,160. A further gift of shares was received in 2005, with a value of £17,762.

#### 13. Debtors

	2022 £	2021 £
Gift aid receivable	16,870	32,684
Prepayments	<u>5,224</u>	<u>1,943</u>
	<b><u>22,094</u></b>	<b><u>34,627</u></b>

#### 14. Creditors: amounts falling due within 1 year

	2022 £	2021 £
Grant commitments (note 16)	140,115	126,752
Accruals	43,582	25,301
Other taxation and social security	<u>897</u>	<u>4,410</u>
	<b><u>184,594</u></b>	<b><u>156,463</u></b>

#### 15. Creditors: amounts falling due after 1 year

	2022 £	2021 £
Grant commitments (note 16)	<u>33,083</u>	<u>-</u>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2022

16. Grants commitments

	2022 £	2021 £
Grant commitments brought forward	126,752	275,743
Grants committed during the period	470,222	222,105
Grants paid during the period	<u>(423,776)</u>	<u>(371,096)</u>
<b>Grant commitments carried forward</b>	<b><u>173,198</u></b>	<b><u>126,752</u></b>

17. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	2,271	2,271
Investments	-	44,652	-	44,652
Net current assets	717,693	486,327	43,646	1,247,666
Creditors: due after 1 year	<u>-</u>	<u>-</u>	<u>(33,083)</u>	<u>(33,083)</u>
<b>Net assets at 30 June 2022</b>	<b><u>717,693</u></b>	<b><u>530,979</u></b>	<b><u>12,834</u></b>	<b><u>1,261,506</u></b>
<b>Prior period comparative</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	-	-	1,960	1,960
Investments	-	47,688	-	47,688
Net current assets	<u>887,142</u>	<u>417,312</u>	<u>28,103</u>	<u>1,332,557</u>
<b>Net assets at 30 June 2021</b>	<b><u>887,142</u></b>	<b><u>465,000</u></b>	<b><u>30,063</u></b>	<b><u>1,382,205</u></b>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2022

18. Movements in funds

	At 1 July 2021 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 June 2022 £
<b>Restricted funds</b>						
<i>Partners' programmes and projects:</i>						
INF Nepal programmes & disaster relief	659,326	374,130	(490,715)	-	-	542,741
Seconded workers	140	50	(190)	-	-	-
Gordon Leitch memorial fund	29,316	-	-	-	-	29,316
Chhahari School	425	17	-	-	-	442
HBTA	382	43	-	-	-	425
KISC	193	-	-	-	-	193
PRABHAV	334	-	-	-	-	334
Samaritan Home	2,746	-	-	-	-	2,746
Volunteer workers support fund	172,871	24,961	(77,745)	-	-	120,087
Welfare fund for volunteer workers	21,409	-	-	-	-	21,409
<b>Total restricted funds</b>	<b>887,142</b>	<b>399,201</b>	<b>(568,650)</b>	<b>-</b>	<b>-</b>	<b>717,693</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	-	240,000
Nepal programmes	100,000	65,979	-	-	-	165,979
Investment in growth	125,000	-	-	-	-	125,000
<i>Total designated funds</i>	<i>465,000</i>	<i>65,979</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>530,979</i>
General funds	30,063	293,558	(307,751)	(3,036)	-	12,834
<b>Total unrestricted funds</b>	<b>495,063</b>	<b>359,537</b>	<b>(307,751)</b>	<b>(3,036)</b>	<b>-</b>	<b>543,813</b>
<b>Total funds</b>	<b>1,382,205</b>	<b>758,738</b>	<b>(876,401)</b>	<b>(3,036)</b>	<b>-</b>	<b>1,261,506</b>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2022

18. Movements in funds (continued)

Prior period comparative	At 1 July 2020 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 June 2021 £
<b>Restricted funds</b>						
<i>Partners' programmes and projects:</i>						
INF Nepal programmes & disaster relief	367,664	512,498	(220,836)	-	-	<b>659,326</b>
Seconded workers	165	1,770	(1,795)	-	-	<b>140</b>
Chhahari School	-	425	-	-	-	<b>425</b>
Ear camps	-	-	-	-	-	<b>-</b>
Gordon Leitch memorial fund	29,316	-	-	-	-	<b>29,316</b>
HBTA	1,089	562	(1,269)	-	-	<b>382</b>
KISC	193	-	-	-	-	<b>193</b>
PRABHAV	126	208	-	-	-	<b>334</b>
Samaritan Home	1,819	927	-	-	-	<b>2,746</b>
Volunteer workers support fund	236,531	29,947	(93,607)	-	-	<b>172,871</b>
Welfare fund for volunteer workers	21,409	-	-	-	-	<b>21,409</b>
<b>Total restricted funds</b>	<b>658,312</b>	<b>546,337</b>	<b>(317,507)</b>	<b>-</b>	<b>-</b>	<b>887,142</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	-	<b>240,000</b>
Nepal programmes	100,000	-	-	-	-	<b>100,000</b>
Investment in growth	125,000	-	-	-	-	<b>125,000</b>
<i>Total designated funds</i>	<b>465,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>465,000</b>
General funds	63,416	232,068	(270,421)	5,000	-	<b>30,063</b>
<b>Total unrestricted funds</b>	<b>528,416</b>	<b>232,068</b>	<b>(270,421)</b>	<b>5,000</b>	<b>-</b>	<b>495,063</b>
<b>Total funds</b>	<b>1,186,728</b>	<b>778,405</b>	<b>(587,928)</b>	<b>5,000</b>	<b>-</b>	<b>1,382,205</b>

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2022

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#### 18. Movements in funds (continued)

##### **Purposes of restricted funds**

##### **Partners' programmes and projects**

The charity raises funds to support its partners' programmes and projects, primarily from individuals, trusts and foundations. These funds are managed and paid to partners under Memorandums of Understanding (MoUs) signed between the charity and its partners. An MoU will reference the plans and budgets upon which an agreement has been made, and it will also contain a reporting and payment schedule. Payments are normally paid against a report from a partner detailing the work completed against its plans and money spent against the previously submitted budget. MoUs normally cover a period of 12-36 months. Funds received by the charity for a partner's project, but not yet guaranteed for payment, are held as restricted funds in the charity's accounts until firm commitments are made.

##### **Volunteer workers support fund**

The purpose of this fund is several-fold. This provides a cushion against fluctuating income for volunteer allowances and gives peace of mind to volunteer workers while serving with INF. It also provides liquid funds to enable the repatriation of all workers from Nepal in the event of a natural disaster or civil unrest. Finally, because living allowances are higher when a volunteer is on Home Assignment in his/her home country, an element of provision is needed to cover these higher costs.

##### **Welfare fund for volunteer workers**

This fund is a result of a major fundraising effort some years ago on behalf of Volunteer Workers. It has grown through continuing standing orders and now amounts to £21,409. One example of the way this fund is used are small individual grants offered to retired Volunteer Workers to assist for travel costs associated with INF Conferences.

##### **Purposes of designated funds**

##### **Operating reserve**

The policy of the board is to hold an operating reserve of 6–12 months of the budgeted annual costs of INF/UK to cover unforeseen operating events. The sum of £240,000 is held in this reserve being approximately 10 months budgeted annual core costs for 2022/23.

##### **Nepal programmes**

Moneys allocated from the general fund for grants to partners in Nepal, but not yet disbursed, are designated as the programmes fund. Grants given by INF/UK are assessed against agreed criteria including INF's charitable purposes and its agreed vision and mission statements. Grants may be given for periods up to 3 years and are documented in memorandums of understanding with each partner.

##### **Investment in growth**

The charity recognises that it will incur costs as a result of its growth strategy ahead of generating income. Funds have therefore been specifically set aside cover anticipated shortfalls over the three years 2020-2023.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2022

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#### 19. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2022	2021
	£	£
Amount falling due:		
Within 1 year	4,500	4,375
Within 1 - 5 years	<u>-</u>	<u>-</u>
	<u><u>4,500</u></u>	<u><u>4,375</u></u>

#### 20. Related party transactions

There were no related party transactions during the year (2021: none).

#### 21. Financial instruments at fair value

	2022	2021
	£	£
Financial assets measured at fair value	<u><u>44,652</u></u>	<u><u>47,688</u></u>

Financial assets measured at fair value comprise listed investments.

**INTERNATIONAL NEPAL FELLOWSHIP**

England & Wales - Charity number 1047178

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# Accounts

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# **INTERNATIONAL NEPAL FELLOWSHIP**

## **Annual Report and Audited Accounts Year ending 30 June 2021**

**International Nepal Fellowship is a registered charity (no. 1047178)**

We are a company limited by guarantee (no. 3060972), registered office at  
24 Weoley Park Road, Birmingham, B29 6QX

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## Chief Executive's summary

### A challenging year, but we have hope for a better tomorrow

Like so many countries around the world, Nepal endured another difficult and challenging year because of the pandemic. The nadir occurred in April, when a second wave hit, and for a while Nepal became the Covid-19 epicentre of the world for infections.

Those dark days mirrored the situation in India just a few weeks prior, with desperate families searching for oxygen for their loved ones, full hospitals, and very few places to turn to for help or hope. The fragility of Nepal's health system was exposed, and people were rightly frightened.

Lockdowns and other restrictions taken to stem the tide of the virus had an immediate and stark impact on many. Overnight, daily wage workers had no employment and even those in employment faced huge difficulty in sustaining their families with a lack of food and basics.

Later in this report you can read of the actions taken by INF/UK and its partners to meet the needs of many thousands impacted by Covid-19 this year.

Covid-19 also had a severe impact on the projects supported by INF/UK. Again, because of lockdown and other restrictions, many had to effectively shut down for months on end, putting planned work on hold. When it became possible for projects to start again, it was often at lower levels initially. This has had a significant impact on the financial picture presented in this report.

While fundraising continued at a similar level to 2019-20, the hiatus in project work in Nepal meant we were unable to send the amount planned to projects being on hold. This imbalance will rectify itself as work is caught up this year and subsequently, but our financial statements this year need to be read with this clearly in mind.

In May 2021 we felt the harsh reality of the Government's decision to reduce Overseas Aid from 0.7% to 0.5%. INF/UK had been successful in brokering a new and innovative partnership between the Defence Medical Rehabilitation Centre (DMRC) at Stanford Hall (the UK centre of excellence for disability for all armed forces), The Tropical Health and Education Trust, and INF Nepal's Green Pastures Hospital. With Government funding of £350,000, the planned project would have made a significant contribution to the development of Nepal's health system, built capacity at local government level to respond to people with disabilities, and supported many Disabled Person Organisations. Sadly, just a few days before the project was due to start, the funding was cancelled.

While the cancellation of the planned project was hugely disappointing, DMRC and INF continued to see the merit in working together for the benefit of the Nepali people. Since the pandemic hit, DMRC had built significant experience in responding to Covid-19, and rehabilitating people suffering acute responses to it. The decision was taken to create a new programme that would enable the sharing of that learning and expertise. Experts from DMRC will offer their time voluntarily and team up with counterparts in Nepal to share learning, and protocols and training materials are being made freely available INF Nepal's Green Pastures Hospital. INF is profoundly grateful to DMRC for the way they responded to get this project off the ground quickly.

Despite the huge challenges faced during the past 12 months, we remain hopeful for a better tomorrow, positive we will overcome these challenges, and completely committed to supporting and serving the people the charity exists for.

Despite the many challenges encountered in 2020/21, the following pages of our annual report record many of the wonderful things achieved through our partners in Nepal. A big 'THANK YOU' goes to them and the dedication and commitment of their staff during these difficult times.

The final words of the introduction must be a simple, but heart felt 'THANK YOU' to everyone who has supported us in so many ways this year. One small thing that touched my heart greatly was an envelope with shaky handwriting containing a piece of paper to which was sellotaped a 50p piece. That 50p epitomises the love that so many have for this wonderful country called Nepal and its wonderful people.

A handwritten signature in black ink, appearing to read 'John Reynolds', with a large loop at the end.

**John Reynolds**  
**Chief Executive Officer, INF/UK**

The trustees present their report along with the audited financial statements of the charity for the year ended 30 June 2021.

Reference and administrative information set out on page 24 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

## About INF/UK

The International Nepal Fellowship (INF) is Nepal's longest serving international NGO with nearly seven decades of experience working with Nepal's poorest and most disadvantaged people and communities.

Today, INF is a forward-thinking and impactful organisation, fulfilling its charitable objectives and demonstrating public benefit through the support of:

- Healthcare services – including cutting-edge hospital services for the treatment and rehabilitation of disabled people.
- Community health and development in some of the most remote and least served areas of the country.
- Disaster relief, mitigation, and resilience responses.

Everything we do is only possible thanks to our amazing supporters - a collection of individuals, churches, trusts and foundations from across the UK and beyond who share our passion to see more Nepalis break free from poverty and suffering.

### OUR VISION

Life in all its fullness for Nepal's poor and disadvantaged people and communities.

### OUR MISSION

Supporting local Nepali communities and healthcare services, to improve health, reduce poverty and promote social inclusion.

### OUR VALUES

- Love and compassion
- Inclusion and dignity
- Professional excellence

### OUR ETHOS

We are motivated by our Christian faith, showing active compassion for some of the world's poorest, and encouraging individuals and communities to access and enjoy their rights is a holistic expression of our values.

We believe all people are equal, and so inclusion and dignity are very important to us, irrespective of gender, sexual orientation, religious belief, disability, economic status, caste, or any other feature.

## DEMONSTRATING PUBLIC BENEFIT

When deciding its priorities, Trustees consider how these will further the charity's purposes for the public benefit. Trustees take account of The Charity Commission's general guidance on public benefit, its supplemental advice on the advancement of religion for public benefit, and its supplemental advice on prevention and relief of poverty for the public benefit.

Ordinarily, officers of the charity (Trustees, executives, and staff) would regularly visit partner projects to verify that the works of its partners are to the public's benefit and are consistent with the charity's objectives. This has not been possible for the past year due to Covid-19 restrictions. In place of these visits INF/UK's Chief Executive has held regular meetings with the Executive Directors of the charity's main partners and their projects have been closely monitored by the charity's Programmes Manager. It is hoped that in-person visits will be possible again from early 2022.

## Partners in Nepal

We work through a small number of like-minded partners who share our vision and values. During the past year, these local NGOs in Nepal were:

**INF Nepal (INF/N):** As a member of the international INF family, our primary delivery partner is INF Nepal, a locally registered NGO based in Pokhara. Through our relationship with INF Nepal, we have supported hospitals in Pokhara, Surkhet and Banke; major community development projects in Bajura and Kalikot districts; and played a key role in supporting many of INF Nepal's disaster response activities.

**Asal Chhimekee Nepal (ACN):** The social action arm of the Pokhara Christian Community, a grouping of 50-plus churches based in the Pokhara area, whose name translates as 'Good Neighbour Nepal'. ACN has valuable expertise in helping communities respond to natural disasters. They work in conjunction with, and in support of municipal authorities rather than independently, and will often mobilise their networks of local church communities across Nepal to support relief activities.

**Group of Helping Hands (SAHAS) Nepal:** A Kathmandu-based NGO with experience of helping rural communities develop in the poorest parts of Nepal, our first partnership with SAHAS Nepal is an education project in Bajura.

**Sarwangin Sewa Samaj (SSS):** A volunteer-led organisation in Nepalgunj, supporting patients and their carers at the Bheri Zonal Hospital.

**Elijah Counselling Training Centre (ECTC):** A specialist organisation with expertise in psychological counselling and training. ECTC has been providing vital support for people affected by the long-term psychological effects of the 2015 earthquake.

# Coronavirus in Nepal

## First wave of Covid-19

In July 2020, Nepal was still in a nationwide lockdown that had been in force since mid-March to restrict the spread of Covid-19. Although the volume of cases in Nepal's first wave did not cause a healthcare crisis, the extended lockdown had severe consequences on the poorest, especially the flood of migrant workers who returned home to Nepal and daily wage labourers who struggling to provide for their families.

Between June and October 2020 our partners helped around 9,000 Nepalis across 8 of the districts most affected by the pandemic, including along the Indian border and in rural western communities:

- 5,000 people received food packages.
- 2,000 food and drinks for returning migrants.
- 14 quarantine centres equipped, including mosquito nets.
- 200 nutrition packs for new and pregnant mothers.
- 500 personal hygiene packs for adolescent girls.
- 11 hand washing stations for schools and health-posts.
- 600 children received teaching during school closures.

### Food relief

Food packages were delivered to 605 households (at least 3,000 people) in Nawalparasi, near the Indian border thanks to Asal Chhimekee Nepal (ACN). INF Nepal delivered food relief to more than 400 households (about 2,000 people) in Kalikot, Jumla and Mugu. Each household received enough food for about two weeks, including rice, lentils, oil, salt, sugar and soap.

### Returning migrant workers and hospital patients

Sarwangin Sewa Samaj (SSS) gave vital food and drink to 2,000 migrant workers as they returned across the border into Nepal. They also fed 15 hospital patients at the Bheri Zonal Hospital, while ensuring that their volunteers had the equipment to protect themselves from contracting Covid-19.

### Quarantine centres

INF Nepal helped protect people staying at 14 quarantine centres, as they attempt to travel home – many returning from migrant labour in India. Food supplies and equipment such as mosquito nets were provided, as well as personal hygiene kits including items such as soap, toothbrushes and toothpaste.

### Supporting women, teenage girls, and children

In Bajura, Group of Helping Hands (SAHAS) Nepal delivered a wide-ranging package of support: nutrition packs for 200 new and pregnant mothers, hygiene packs for 500 adolescent girls, 11 hand-washing stations were established at schools and health posts, and they also supported people at a quarantine centre. To help minimise the impact of schools being closed, 30 community-managed coaching centres were set up to deliver some education for 600 children.

## Second wave of Covid-19

In April 2021 a far more devastating wave of Covid-19 hit Nepal, which quickly overwhelmed the country's fragile healthcare system and caused widespread devastation.

Our partners' response, which began in May and continued later into 2021, helped over 4,000 people:

- 3,000 desperately hungry people received food relief.
- 10 isolation centres equipped with medical supplies.
- 200 hospital patients helped with Covid treatment, rehab, or telehealth.
- 800 children taught while schools remain closed.

### Feeding hungry families

With daily wage workers unable to earn during lockdown many families went hungry. 360 households (about 1,800 people) in Kaski and Nawalparasi received food packages from Asal Chhimekee Nepal (ACN), and Group of Helping Hands (SAHAS) Nepal helped 240 of the poorest households in Bajura (about 1,300 people) with vouchers for food packages including rice, lentils, oil and salt.

### Equipping isolation centres

ACN supplied medical equipment, PPE, and medicines to 7 isolation centres in Nawalparasi and Gorkha for the treatment of Covid-19 patients.

SAHAS Nepal also supplied vital equipment for three isolations centres and health posts in Bajura, including oxygen for about 25 patients, and their support also included other medical equipment, masks, and staff training. In addition, free mask banks provided 4,897 people with disposable facemasks to help prevent the risk of Covid-19 transmission within communities.

### Helping patients

Covid-infected patients seeking treatment in Banke district were supported by Sarwangin Sewa Samaj (SSS). This included 42 patients at Bheri Zonal hospital – which due to its location on the border with India was on the frontline of fighting Covid-19 in Nepal – with food, medicine, and laboratory costs such as x-rays and blood tests. A further 50 patients living in the area were helped with PCR tests, food supplies, medicines, and transport to hospital.

INF Nepal helped over 100 patients by providing physio, counselling and rehabilitation services to assist in the recovery of Covid-19 patients, as well as telehealth services for people unable to access outpatient support due to lockdowns.

### Supporting remote communities

SAHAS Nepal's support in Bajura also included the continued running of 12 Community Managed Coaching Centres (CMCCs) which delivered tutoring to 274 students. To keep students engaged in home-based learning, 800 students (especially girls and lower caste Dalits) were given printed materials while schools were closed due to lockdowns, to help reduce the risk of them not returning to complete their education.

SAHAS also created awareness-raising radio broadcasts about Covid-19 and key social issues such as child protection, gender-based violence, and mental health.

# Healthcare

## Green Pastures Hospital, Pokhara

### Introduction

Green Pastures Hospital (GPH) has a core vision of becoming a Centre of Excellence in the Holistic Care and Prevention of Disability, transforming lives and communities for the poor and disadvantaged people of Nepal.

During a particularly difficult year due to Covid-19, INF/UK was the second largest international donor for services provided at GPH. We have supported various specific services which are detailed below, as well as covering a financial deficit caused by the pandemic. This support has been especially appreciated as income from local patients was 27% less income than budgeted, due to the hospital being affected by lockdowns for two and a half months.

GPH serves about 36,000 outpatients visits annually. The hospital treats people affected by Leprosy, spinal cord injury and other spinal disorders, hearing disabilities, palliative care, cerebral palsy, and ortho-related patients. A dedicated team provides holistic care to address the patients' physical, psychological, social, and spiritual needs.

Also during this year, GPH has been registered as a 100-bed hospital with the Nepal Government's Ministry of Health and Population.

### Impact of Covid-19

GPH took steps to prevent a widespread outbreak of the disease by procuring essential supplies, equipment, and medicine, building the capacity of medical personnel through training, and spreading public awareness through signage and social media. INF/N also provided food package support to poor and needy people who are unable to earn their livelihood due to nationwide lockdown and travel restrictions. As a part of the Government's priority list, its frontline workers and hospital staff have been fully vaccinated.

Due to Covid-19 lockdowns and some people's fear, many patients were delayed in seeking treatment at GPH. This leads to more complications and a delay in their rehab, with many patients waiting until they develop a major problem before coming for care. To help with this, GPH introduced a telehealth service for its Spinal Cord Injury (SCI) and stroke patients. A total of 302 people with disabilities and their caregivers have been contacted, while 40 SCI patients received health packages including urine bags, gloves, catheters, and gauze.

INF/UK has also contributed to GPH's comprehensive Covid-19 preparation and response project. This includes ordering medical and life-saving equipment to treat Covid-19 patients, such as oxygen concentrators, and a new oxygen plant is being installed. A 12-bed Covid ward has been established for providing care and treatment for patients, including those requiring oxygen supply. These treatment and isolation beds are made generally available but priority is given to people with disabilities, as GPH is able to address the interlocking health issues.

## **Leprosy**

GPH's leprosy programme continues to contribute to the goal of 'zero transmission, zero discrimination and zero disability' through early case detection, provision of inpatient services, provision of health care education and self-care technique, reconstructive surgeries, and provision of assistive devices through the hospital.

To aim is to provide high-quality leprosy services and reduce disabilities caused by leprosy in western Nepal. In 2020/21 this involved:

- 1,551 people received outpatient services.
- All of the 97 admitted inpatients were given self-care training.
- 100% of leprosy patients were discharged with an improved health condition.

## **SCI and other disabilities**

GPH provided surgical and rehabilitation services to the SCI and other disabilities patients such as cerebral palsy, stroke, ortho-related cases, etc. The hospital provided health education, essential equipment, assistive and mobility aids such as wheelchairs, food and medicine to these patients to reduce secondary complications.

In 2020/21 GPH provided high-quality rehabilitation services to patients with significant rehabilitation to patients with physical disabilities through:

- 23,590 visits of patients with physical disabilities received outpatient care.
- 6,586 physiotherapy sessions attended.
- 3,782 occupational therapy sessions attended, including bowel and bladder management, provision of education and information on sexual and reproductive health, and activities of daily living.
- 1,136 different assistive aids (such as wheelchair, toilet chair, pressure-relieving mattress, cushions, and other mobility aids) provided to patients with physical disabilities.
- 317 surgeries were conducted for patients with physical disabilities.

## **Acute Trauma Care**

GPH is now further contributing towards the prevention of disability resulting from trauma by providing emergency care and surgery, followed by immediate rehabilitation, through its new Acute Trauma Care service.

The four-bed service makes GPH a comprehensive centre for the management of patients – from the initial stage of injury to the final stage of re-integration back to their communities. The longer-term plan is to expand this service to become a 50-bed trauma hospital.

Although the service was only fully ready in March 2021, 164 people benefitted through nursing care, rehabilitation, and counselling. Out of these, 19 patients were immediate trauma victims.

## **Palliative Care**

INF/UK supporters have benefitted Nepali people in need of palliative care, enabling the service at Green Pastures to progress to the next phase in the long-term strategy of developing an innovative model of palliative care integrated with chronic disease management.

The vision of establishing an excellent palliative care service at GPH took a significant step forward with the opening of the new Palliative Care Centre in November 2020. Through INF/UK, an international donor provided the equipment needed for 10 adult inpatient beds, initial staff salaries, and staff training, as well as additional infrastructure including a disability-accessible sensory garden, external seating area, and some landscaping.

The palliative care team works closely with other doctors and nurses at Green Pastures. Over the last year, clients were admitted for a total of 196 inpatient days, of which 167 were supported by charity subsidy. 40 other hospital inpatients were referred to the service for palliative support, pain assessments, or counselling.

In the community, 227 home visits were carried out, including the frail and aged living on the Green Pastures complex, for a monthly average of 26 patients over the course of the year. Clinic reviews, phone reviews, and pain assessments are also part of the community service.

## **Cerebral Palsy**

During the past year this project has provided an opportunity for 82 children with cerebral palsy to access specialized services including physiotherapy, occupational therapy, speech therapy, and assistive/mobility devices.

For next year there are plans to incorporate this into a broader service for children with a range of development disorders.

## **Shining Hospital, Surkhet**

### **Surkhet Rehabilitation Development Project**

After many years of transforming the lives of people with disabilities in Surkhet, the Rehabilitation Development Project based at INF Nepal's Shining Hospital has had to come to an end.

The loss of international funding has forced Shining Hospital to reduce the services it provides, sadly resulting in staff redundancies. INF/UK worked closely with INF Nepal over several months to try and resolve the situation. However, with INF/UK supporters left as the sole funders, it was clearly unsustainable and beyond INF/UK's means to increase the level of its annual commitment to five times the previous amount.

In the final year of this project, despite the significant disruption caused by the Covid pandemic, 479 people with disabilities received access to high-quality rehabilitation services and were supported through the re-integration into their home communities:

- 198 patients were assessed in the outpatient department for basic medical screening.

- 435 patients were assessed for therapeutic interventions in the rehab department.
- 2,093 therapy sessions were provided to strengthen and improve the functional ability of outpatients.
- 14 patients were admitted for therapeutic interventions.
- 2 clients received home modifications to make their home environment suitable for their needs.
- 89 assistive devices (including orthotic devices and wheelchairs) were provided to patients to enable them to carry out daily activities and participate actively and productively in community life.

However, this is certainly not the end of INF/UK's support for people with disabilities in Surkhet. A new three-year **Access and Inclusion** project will start in early 2022. Benefiting over 1,300 people, it will tackle the issues which result in people with disabilities in Nepal being more likely to be unemployed or underpaid. It will enable them to enjoy equal rights, equal opportunities, and a barrier-free environment adapted to fit their needs.

## **Fistula Centre, Surkhet**

### **Fistula Outreach**

Obstetric fistula is a devastating birth injury that can be prevented through awareness-raising, along with increased access to antenatal check-ups and giving birth in healthcare deliveries.

It is completely preventable where there is community awareness and adequate obstetric services. The outreach programme aims to identify patients needing treatment and to educate communities and health workers on how fistula can be prevented.

INF/UK supporters are funding INF Nepal's awareness-raising activities through a Fistula Outreach and Rehabilitation Coordinator and four Fistula Outreach Facilitators.

Fistula treatment is only available from four hospitals in Nepal, and INF's Fistula Centre at the Karnali Provincial Hospital in Surkhet is only the government hospital providing fistula treatment free of cost, with the financial and technical support of Shining Hospital Surkhet.

As the first phase of this outreach work, the team visited 42 municipalities and rural municipalities in the various different districts of the project working area, to explain the service and seek opportunities to share with relevant local groups.

During the past year period, Fistula outreach activities included:

- 28 women's groups in Baitadi, Kalikot, Salyan and Rupandehi, Achham and Mugu districts.
- 45 groups of female community health volunteers in various local areas of 6 districts.
- 22 high schools in the 6 target districts.
- 12 events raising awareness of fistula among other NGOs and INGOs.

As a result, 38 suspected fistula patients were contacted, and the diagnosis has been confirmed in 13 patients. Some of them have already received treatment, and others are waiting for their treatment. Other suspected fistula patients were given advice and counselling.

## Medical Charity Funds

### Sarwangin Sewa Samaj (SSS), Banke

SSS is a volunteer-led organisation in Nepalgunj, supporting patients and their carers at the Bheri Zonal Hospital.

Over the past 12 months, SSS has provided food and counselling for more than 800 people, who would otherwise not be able to afford care. They also supported almost 500 people with advocacy and relevant referrals, and supported the costs of medical treatment for 246 patients. This includes support provided in response to the Covid-19 crisis, which is detailed earlier in this report.

### INF/N Medical Charity Funds

INF/UK is a major funder for the INF Nepal's Medical Charity Funds, donating almost 30% of the support for patients who are unable to afford their treatment at Green Pastures Hospital (GPH). During the past year, 488 patients benefitted from this support after socio-economic assessment by INF social workers.

This helped patients with disabilities, including spinal cord injury, stroke, amputations, cerebral palsy, club feet, and burn contractures. They received support for assistive devices, surgery, surgical implants, and rehabilitation in the hospital.

In Surkhet, the Medical Charity Fund is fully funded by INF/UK supporters. Last year this covered treatment, medicine and travel costs for 63 individuals.

## Community Health and Development

### Kalikot

#### Community Resilience and Development

This project has faced some significant challenges this year as a result of Covid-19, however progress is being made with almost 2,000 people participating in local self-help groups – more than 80% of whom are female.

Training to improve agriculture is helping reduce food poverty, generating better yields and making food production more sustainable. The project also focuses on removing barriers for disadvantaged groups such as women, girls and people with disabilities – helping increase their participation in village life, as well as improving maternal and child health.

To help prepare for natural disasters, such as landslides with villages perched on steep hillsides, people have been trained in first aid and how to move injured people. The government has established a new health post in one of the project area communities, supported by INF Nepal with health equipment and medication. All 90 self-help groups have established emergency grain stores and funds for emergency assistance during disasters.

As a result of the income generation support and business creation training, a total of 33 people have started different businesses such as vegetable farming, poultry farming, retail shops, buffalo farming, a

hotel, and a nursery. Income from these businesses is helping them pay for their basic needs such as food, clothes, children's health, and education.

## **Bajura**

### **Inclusive Development Empowerment and Livelihood (IDEAL)**

This project aims to sustainably improve the quality of life of people living in Bajura. In the past year, 6,833 people have directly benefited from this project, including 1,827 self-help group members.

People have been encouraged to adopt improved farming techniques through training on crop diversification and the importance of kitchen gardens. A total of 374 households are now engaged in farming fruit and vegetables to consume at home, and selling excess produce to make some additional income.

Due to extreme poverty, many adolescent girls in these communities are not able to buy ready-made sanitary pads, and would be absent from school during their period. 200 adolescent girls were taught how to make their own sanitary pads. The teachers were so impressed by this initiative that they have committed to continue it for the school's future groups of adolescent girls.

A total of 54 people have opened bank accounts to help manage their money and form saving habits. This has also increased the access of women to financial resources, and they have started various businesses such as goat rearing, poultry rearing, retail shops, tailoring, and hotels.

Action has also been taken by self-help groups to prevent landslides, protecting 106 homes in two villages during this year's monsoon season.

### **Promoting Safe and Alternative Environment for Education**

Nepal's education system was hard-hit by the Covid-19 pandemic as schools were shut down leading to uncertainties about the future. This nine-month project was planned in response to the pandemic's impact on children's education in Bajura, with the planned three-year project **Inclusive and Quality Education for Girls** then starting in May 2021.

Through the Covid-19 bridging project, Group of Helping Hands (SAHAS) Nepal aimed to facilitate an environment for continuing school and home-based learning during Covid-related school closures, through improved collaboration between parents, teachers, and local government.

It included three different schools (Shree Laxmi Secondary School, Shree Bal Mandir Basic School and Masteswori Basic School) in the Badimalika Municipality in Bajura district. In order to engage school students in their studies at home during school closures, this project also supported the continuation of 13 Community-Managed Coaching Centres (CMCCs).

Project highlights included:

- To help restrict the spread of Covid-19, a handwashing demonstration was conducted in three schools where a total of 653 students practiced six steps of handwashing, along with the distribution of hygiene kits which include masks, soap, toothpaste, and a toothbrush.
- Thanks to the construction of the drinking water systems at two schools, children and teachers can now access clean and safe water, benefitting a total of 365 children.
- Each CMCC supported students in their school assignments and homework, and their continued learning in subjects such as Maths, Science, Nepali. A total of 286 students were actively engaged and benefitted from the CMCCs.
- 312 students from marginalised backgrounds were given educational materials to help students to do their homework, retain students in the CMCCs, and enable a better learning environment for the students.

## Surkhet

### Leprosy Free Communities, Surkhet

This project has helped improve the identification, diagnosis and treatment of leprosy at government-run health centres, as well as identify leprosy cases in the community through skin outreach camps.

Over the past three years, 1,680 people with dermatology cases attended outreach camps. The project has also improved the knowledge and skills of 178 female community health volunteers.

Training was given to outpatient and laboratory staff at health institutions, while awareness-raising activities took place in schools and for the general public.

At the conclusion of this project, INF leprosy services have largely moved from Surkhet to Banke, where cases are more prevalent in the population of this terai district. INF/UK has made a new three-year commitment to a similar project in Banke.

## New projects

Two new Community Health and Development projects delivered by INF Nepal began in April 2021:

- **Climate Change Adaptation in Bajura:** Helping communities adapt to the changing climate, improving farming practices, and creating income-generating opportunities for people to lift themselves out of poverty.
- **Community Medical Outreach:** Medical camps in various remote districts for people living with disabilities or affected by leprosy, including referrals for surgery and rehabilitation at Green Pastures Hospital.

However, due to the significant impact of the second wave of Covid-19 and related lockdowns, most of the initial project activities were delayed until after the year ended on 30 June 2021.

More information will be included on both these projects in the 2021/22 Annual Report.

## **Disaster Relief**

### **Monsoon 2020 response (several districts)**

Natural disasters during Nepal's annual monsoon season were even more keenly felt in 2020, with communities already struggling due to the pandemic.

About 300 people lost their lives across dozens of incidents. By the end of July flooding in several districts had affected at least 70,000 people, with many more whose homes or livelihoods were damaged by landslides.

Thanks to the response to our Monsoon Appeal in September, INF/UK supporters helped over 4,400 people through the distribution of food and hygiene kits as well as materials to build temporary shelters.

There was an extended period of disruption, which started in early July when Asal Chhimekee Nepal responded to flooding in Nawalparasi and landslides in Myagdi. INF Nepal delivered much-needed relief in Kalikot which was also hit by landslides in July. INF's support continued in Baglung following early September flash-floods which affected 80 homes, two schools and a health post.

### **Fire response, Rolpa**

In March 2021 a forest fire broke out in Rolpa district, and within a few days it destroyed 37 homes and 11 cow sheds across six rural villages.

INF Nepal together with Asal Chhimekee Nepal responded to a request from the local government for support. With support from INF UK, 21 families were given materials to help repair their homes.

Fifteen households have already used these materials to repair their homes, while the other six have used the corrugated metal sheets to make temporary shelters.

### **Raptisonary Recovery Project, Banke**

The two-year Raptisonary Recovery Project was completed by INF Nepal in June 2021, reducing the risk of natural disasters and improving recovery plans for people living in the Raptisonary Rural Municipality in Banke district, which was hit by major flooding in 2017.

Local Disaster Risk Reduction and Management committees have been formed in all nine wards of the municipality, empowering local communities to identify and assess the impact of disasters like flooding and domestic fire in their surroundings and to address them by preparing and implementing action plans.

The project has also provided vocational training to young people and women, helping to create employment opportunities and greater financial independence.

## **Community based Psychological Support, Sindhupalchowk and Kavre**

This three-year project was delivered by the Elijah Counselling Training Centre (ECTC) as part of the long-term response to the major earthquake which devastated Nepal in 2015.

This project provided psychological first aid and counselling to the survivors of the 2015 earthquake in two of the most affected districts, Kavre and Sindhupalchowk.

ECTC also equipped relief workers and communities on how to provide psychological support for people. These people who were previously unaware of mental health issues can now identify, address the issues, and have more confidence in dealing with people, including those who are suicidal.

# Financial Activities of the Charity

## Summary

During 2020-21, total incoming resources were £778,405 (2020: £764,737). Most of its funds are sourced from private individuals, trusts and churches.

Total expenditure was £587,928 (2020: £768,176). Expenditure was significantly less than funds raised.

The primary reason for this is almost entirely down to the continuing impact that Covid-19 has had on projects that the charity supports in Nepal. During the last financial year, lockdown in Nepal and other Covid-related restrictions meant that most projects were unable to function as planned for a significant period. Most projects have now re-started and are getting back to planned levels. The charity believes that in the year 2021-22 it will see a re-balancing following the hiatus experienced in 2020-21.

## Funds

### *(a) General Fund*

Total income on the General Fund was £232,068 (2020: £227,925). This was mainly made up of general donations, legacy income, and investment income.

### *(b) Gifts for Partners' Programmes and Projects*

This is income for the work amongst Nepalis. Income was £514,620 (2020: £500,461).

### *(c) Support fund*

Historically, Mission Workers were recruited by INF/UK to serve in Nepal and raised funds toward the Support Fund, which in turn covered the costs of maintaining them in Nepal and in the UK when on Home Assignment. These funds are raised from church groups, trusts and personal supporters, many of whom represent friendship contacts from the volunteers' church groupings. The Support Fund is a pooled resource and guarantees an even level of allowance while a volunteer is in the service of INF.

During the current financial year, support income was £31,717 (2020: £19,778). This is entirely consistent with expectations following the charity's strategic decision in 2018 to no longer recruit expatriate workers to work in Nepal.

## Reserves

### *(a) Unrestricted reserves*

The policy of the board of trustees is to hold General Operating Reserves of 6-12 months of the budgeted annual costs of INF/UK in a designated Operating Reserve, to cover unforeseen events. The sum of £240,000 is held in this reserve and represents 8 months budgeted annual costs for 2021-22.

Separately, and for the sake of transparency, the trustees of INF/UK have designated £125,000 of the charity's general reserves to cover anticipated shortfalls on its General Fund over the coming 2-3 years. This is a result of incurring additional staff costs associated with its strategic plan for growth ahead of generating new income streams, compounded by the impact of Covid-19.

The trustees have also designated £100,000 of General Reserves in support of its Programmes Fund. This underwrites its commitment to supporting more projects in Nepal. The additional funds set aside for this purpose will enable it to enter into more Memorandums of Understanding with partners ahead of raising funds for projects.

The total of unrestricted funds held as at 30 June 2021 is as follows:

Unallocated General Funds	£ 30,063
Designated: Future Growth	£125,000
Designated: Programmes	£100,000
Designated: Operating Reserve	£240,000
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>£495,063</b>

(b) Restricted reserves

These are funds held on behalf of a project, or for a restricted purpose.

The charity raises funds to support its partners' programmes and projects, primarily from individuals, trusts and foundations. These funds are managed and paid to partners under Memorandums of Understanding (MoUs) signed between the charity and its partners. An MoU will reference the plans and budgets upon which an agreement has been made, and it will also contain a reporting and payment schedule. Payments are normally paid against a report from a partner detailing the work completed against its plans and money spent against the previously submitted budget. MoUs normally cover a period of 12-36 months. Funds received by the charity for a partner's project, but not yet guaranteed for payment, are held as restricted funds in the charity's accounts until firm commitments are made.

The total value of restricted funds held as at 30 June 2021 was £887,142 (2020: £658,312). As noted at the start of this section of the Director's Report, the primary reason for the rise in restricted reserves is almost entirely down to the continuing impact that Covid-19 has had on projects that the charity supports in Nepal. During the last financial year, lockdown in Nepal and other Covid-related restrictions meant that most projects were unable to function as planned for a significant period and therefore incurred a lower level of costs. Most projects have now re-started and are getting back to planned levels. The charity believes that in the year 2021-22 it will see a re-balancing following the hiatus experienced in 2020-21.

**Investment policy**

The trustees have the power to invest in such assets as they see fit. Safety of its assets is important to the charity and consequently most of its reserves are held in cash. With the Bank of England base rate being held to 0.5% for the year the return on cash invested in banks continues to be very low.

**Events after the reporting period**

None.

## **Charity details**

The International Nepal Fellowship (also known as INF/UK) is a registered charity (number 1047178) and a company limited by guarantee (number 03060972).

The principal address of INF/UK is 24 Weoley Park Road, Selly Oak, Birmingham B29 6QX. This is also the registered address of the company.

# **Structure, governance, and management**

## **Governing document**

INF/UK is a company limited by guarantee and it is also a Charity registered with the Charity Commission of England and Wales. It is governed by its Articles of Association that were updated in March 2020. There are currently seven members of the company, each of whom agrees to contribute £1 in the event of the charity winding up.

## **Appointment of trustees**

New trustees are recruited through a mix of advertising (through INF publications) and direct approach by the trustees. The Chair manages the trustee profile proactively to ensure that a balance is maintained and so that it does not become stale. Natural turnover of trustees aids this process, ensuring new trustees are appointed on a regular basis.

The Chair monitors the skills mix, experience, and length of service of trustees. When appointing new trustees, the trustees consider the existing skills mix and experience of current trustees.

## **Trustee induction and training**

New trustees undergo an induction programme led by the Chair of trustees. The programme includes a history of INF/UK and its work, a copy of its accounts, its Memorandum and Articles of Association, and key internal documents including INF/UK's strategic plan. It also draws heavily on the NCVO publication 'The Good Trustee Guide'. Once appointed, trustees continue to receive training during trustee meetings and their contribution is reviewed by the Chair of trustees.

## **Organisation**

The board of trustees administers the charity and is responsible for the overall direction of the organisation and the policies that govern the way the organisation functions. The trustees normally meet four times a year.

Responsibility for the day-to-day leadership and management of the charity is delegated to the Chief Executive Officer (CEO), who is appointed by the trustees and is responsible for achieving the charity's strategic goals. To facilitate effective operations, the CEO has delegated authority, within terms of delegation approved by the trustees, for all operational matters including finance and employment. The CEO is line-managed by the Chair on behalf of the trustees.

## **Related parties and co-operation with other organisations**

None of the trustees receive remuneration or other benefits from their work with the charity. Any connection between a trustee or senior manager of the charity with any supplier or beneficiary must

be disclosed to the full board of trustees, similarly any other contractual relationship with a related party. In the current year no such related party transactions were reported.

While INF/UK's principal partners are INF/N and ACN, there are no voting or appointment rights in respect of either of these, neither is there any other form of control over them, or by them of INF/UK.

### **Pay policy for senior staff**

All trustees give of their time freely and no trustee received a remuneration in the year. Details of trustee expenses and related party transactions are disclosed in note 7 to the accounts.

The pay of senior staff is reviewed annually, and normally increased in accordance with average earnings. In view of the nature of the charity, the director's salary is benchmarked against pay levels in other similar charities of a similar size and complexity.

### **Risk management**

The trustees have a risk management strategy which comprises of:

- i. A regular review is undertaken by the trustees of principal risks and uncertainties that the charity faces.

Given the significant additional risks associated with the Covid-19 pandemic, risks have been kept under constant review by the CEO and the trustees since March 2020. The CEO attends regular and frequent sector meetings with other CEOs, held under the auspices of Bond, a UK network for organisations working in international development. Sector wide information is shared, as is the impact that the pandemic is having on similar organisations.

INF/UK is a relatively small organisation, without a restricting bureaucracy, it is therefore able to be nimble and respond quickly to emerging threats.

While INF/UK is not dependent on UK government funding, in May 2021 we felt the harsh reality of the Government's decision to reduce Overseas Aid from 0.7% to 0.5%. INF/UK had been successful in brokering a new and innovative partnership between the Defence Medical Rehabilitation Centre (DMRC) at Stanford Hall (the UK centre of excellence for disability for all armed forces), The Tropical Health and Education Trust, and INF Nepal's Green Pastures Hospital. With Government funding of £350,000, the planned project would have made a significant contribution to the development of Nepal's health system, built capacity at local government level to respond to people with disabilities, and supported many Disabled Person Organisations. Sadly, just a few days before the project was due to start, the funding was cancelled.

The charity is aware that the impact of Covid-19 will likely be felt at least for the next three years. It is in the fortunate position of having a good level of general reserves, and it is structuring these to meet anticipated operational losses over this period.

The charity is also acutely aware of the risks faced by its partners in Nepal from Covid-19 and the CEO is in close contact with their leadership teams to keep abreast of the risks they are facing. The charity's partners in Nepal enjoy support from a wide range of donors from around the world. The charity does not therefore feel that there is excessive risk from the situation

peculiar to the UK. In order to keep abreast of wider global risks in the sector, the CEO is in personal contact with leaders in INGOs in Australia, Germany and Canada.

- ii. Additionally, the charity has established policies, systems, and procedures to mitigate risks identified in its reviews.
- iii. Earthquake is a major risk to the charity's work and its staff in Nepal. A contingency plan is in place, which was stress-tested during the major earthquake in 2015 and found to be robust and appropriate.

### **Small company provisions**

The trustees' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption provided by section 408 and section 414B (b) of the Companies Act 2006.

### **Voluntary help and gifts in kind**

The trustees are very grateful to a number of volunteers who have helped in various aspects of our work during the past year and are seeking to increase this input in the coming year.

## **Statement of responsibilities of the trustees**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have 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 charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

#### **Auditors**

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 29 January 2022 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Michael Thomas', followed by a horizontal line extending to the right.

Michael Thomas – Chair

## International Nepal Fellowship

### Reference and administrative details

For the year ended 30 June 2021

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<b>Company number</b>	3060972
<b>Charity number</b>	1047178
<b>Registered office and operational address</b>	24 Weoley Park Road Birmingham B29 6QX
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:  Michael Thomas (Chair) Vijaya Adhikari Steven Collins Rosemary Hart Peter Hopkinson (resigned 19 September 2020) Professor Andrew Lymer (Treasurer) David McConkey Dr Ian Smith
<b>Chief executive officer</b>	John Reynolds
<b>Bankers</b>	Bank of Scotland 33 Old Broad Street London EC2N 1HW
<b>Solicitors</b>	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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#### **Opinion**

We have audited the financial statements of International Nepal Fellowship (the 'charity') for the year ended 30 June 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **Independent auditors' report**

### **To the members of**

#### **International Nepal Fellowship**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## Independent auditors' report

### To the members of

### International Nepal Fellowship

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#### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Alison Godfrey*

Date: 31 January 2022

**Alison Godfrey FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:

**Godfrey Wilson Limited**

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

## International Nepal Fellowship

### Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 June 2021

	Note	Restricted £	Unrestricted £	2021 Total £	Restated 2020 Total £
<b>Income from:</b>					
Donations and legacies	3	546,337	231,425	<b>777,762</b>	757,197
Investments	4	-	643	<b>643</b>	7,540
<b>Total income</b>		<u>546,337</u>	<u>232,068</u>	<u><b>778,405</b></u>	<u>764,737</u>
<b>Expenditure on:</b>					
Raising funds		-	112,714	<b>112,714</b>	100,619
Charitable activities		<u>317,507</u>	<u>157,707</u>	<u><b>475,214</b></u>	<u>667,557</u>
<b>Total expenditure</b>	6	<u>317,507</u>	<u>270,421</u>	<u><b>587,928</b></u>	<u>768,176</u>
Net gains / (losses) on investments		-	5,000	<b>5,000</b>	(685)
<b>Net income / (expenditure)</b>		228,830	(33,353)	<b>195,477</b>	(4,124)
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>	7	228,830	(33,353)	<b>195,477</b>	(4,124)
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>658,312</u>	<u>528,416</u>	<u><b>1,186,728</b></u>	<u>1,190,852</u>
<b>Total funds carried forward</b>		<u><u>887,142</u></u>	<u><u>495,063</u></u>	<u><u><b>1,382,205</b></u></u>	<u><u>1,186,728</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the accounts.

The 2020 comparatives have been restated in line with the Charities SORP (FRS 102). The restatements are purely reclassifications of expenditure and do not affect net income.

## International Nepal Fellowship

### Balance sheet

As at 30 June 2021

	Note	£	2021 £	2020 £
<b>Fixed assets</b>				
Tangible assets	11		<b>1,960</b>	3,856
Investments	12		<b>47,688</b>	42,688
			<b>49,648</b>	46,544
<b>Current assets</b>				
Debtors	13	<b>34,627</b>		38,949
Current asset investments		<b>1,000,000</b>		1,000,000
Cash at bank and in hand		<b>454,393</b>		405,330
		<b>1,489,020</b>		1,444,279
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	14	<b>(156,463)</b>		(286,191)
<b>Net current assets</b>			<b>1,332,557</b>	1,158,088
<b>Total assets less current liabilities</b>			<b>1,382,205</b>	1,204,632
Creditors: amounts falling due after 1 year	15		-	(17,904)
<b>Net assets</b>	17		<b>1,382,205</b>	1,186,728
<b>Funds</b>	18			
Restricted funds			<b>887,142</b>	658,312
Unrestricted funds				
Designated funds			<b>465,000</b>	465,000
General funds			<b>30,063</b>	63,416
<b>Total charity funds</b>			<b>1,382,205</b>	1,186,728

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 29 January 2022 and signed on their behalf by



Michael Thomas - Chair

## International Nepal Fellowship

### Statement of cash flows

For the year ended 30 June 2021

	2021	2020
	£	£
<b>Cash used in operating activities:</b>		
Net movement in funds	195,477	(4,124)
<i>Adjustments for:</i>		
Depreciation charges	1,896	1,672
(Gains) / losses on investments	(5,000)	685
Investment income	(643)	(7,540)
Decrease / (increase) in debtors	4,322	(27,293)
Increase / (decrease) in creditors	<u>(147,632)</u>	<u>(65,067)</u>
<b>Net cash provided by / (used in) operating activities</b>	<u>48,420</u>	<u>(101,667)</u>
<b>Cash flows from investing activities:</b>		
Investment income	643	7,540
Purchase of tangible fixed assets	<u>-</u>	<u>(1,178)</u>
<b>Net cash provided by / (used in) investing activities</b>	<u>643</u>	<u>6,362</u>
<b>Increase / (decrease) in cash and cash equivalents in the year</b>	<b>49,063</b>	<b>(95,304)</b>
Cash and cash equivalents at the beginning of the year	<u>1,405,330</u>	<u>1,500,634</u>
<b>Cash and cash equivalents at the end of the year</b>	<u><b>1,454,393</b></u>	<u><b>1,405,330</b></u>
<b>Total cash and cash equivalents comprise:</b>		
Current asset investments	1,000,000	1,000,000
Cash at bank and in hand	<u>454,393</u>	<u>405,330</u>
<b>Cash and cash equivalents at the end of the year</b>	<u><b>1,454,393</b></u>	<u><b>1,405,330</b></u>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2021

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#### 1. Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Nepal Fellowship meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

##### b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves and despite the ongoing Covid pandemic. There are no material uncertainties about the charity's ability to continue as a going concern.

##### c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

##### d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

##### e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2021

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#### 1. Accounting policies (continued)

##### f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### g) Grants payable

Grants payable are recognised as expenditure when the commitment is entered into. Where such a grant is to be paid over instalments, the outstanding balance is recognised as a liability to the extent that a legal or constructive obligation exists.

##### h) Allocation of support and governance costs

Support costs are the costs incurred by UK-based staff, directly providing support for the staff and programmes based in Nepal. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff costs, as follows:

	2021	2020
Raising funds	19.0%	13.0%
Charitable activities	81.0%	87.0%

##### i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	3 years straight line
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Items of equipment are capitalised where the purchase price exceeds £500.

##### j) Investments

Investments are valued at market value in accordance with the SORP. Changes in value during the period are reported as gains/losses in investment assets in the SOFA.

##### k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash held in longer term deposit accounts is classified as current asset investments on the balance sheet.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2021

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#### 1. Accounting policies (continued)

##### m) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

##### n) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### o) Pension costs

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. There are no further liabilities other than that already recognised in the SOFA.

##### p) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Exchange differences are recognised in the SOFA.

##### q) Operating leases

Payments made under operating leases are charged on a straight line basis over the term of the lease.

##### r) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

##### Depreciation

As described in note 1i to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2021

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	Restated 2020 Total £
<b>Income from:</b>			
Donations and legacies	536,812	220,385	<b>757,197</b>
Investments	-	7,540	<b>7,540</b>
<b>Total income</b>	<b>536,812</b>	<b>227,925</b>	<b>764,737</b>
<b>Expenditure on:</b>			
Raising funds	-	100,619	<b>100,619</b>
Charitable activities	527,667	139,890	<b>667,557</b>
<b>Total expenditure</b>	<b>527,667</b>	<b>240,509</b>	<b>768,176</b>
Net losses on investments	-	(685)	<b>(685)</b>
<b>Net income / (expenditure)</b>	<b>9,145</b>	<b>(13,269)</b>	<b>(4,124)</b>
Transfers between funds	-	-	-
<b>Net movement in funds</b>	<b>9,145</b>	<b>(13,269)</b>	<b>(4,124)</b>

3. Income from donations and legacies

	Restricted £	Unrestricted £	2021 Total £
Donations for partners' programmes and projects	514,620	-	<b>514,620</b>
Volunteer worker support fund	31,717	-	<b>31,717</b>
General donations	-	230,925	<b>230,925</b>
Legacy income	-	500	<b>500</b>
<b>Total income from donations and legacies</b>	<b>546,337</b>	<b>231,425</b>	<b>777,762</b>
<b>Prior period comparative:</b>			2020 Total £
Donations for partners' programmes and projects	500,461	-	500,461
Volunteer worker support fund	19,778	-	19,778
General donations	-	208,592	208,592
Legacy income	16,573	11,793	28,366
<b>Total income from donations and legacies</b>	<b>536,812</b>	<b>220,385</b>	<b>757,197</b>

**International Nepal Fellowship**

**Notes to the financial statements**

**For the year ended 30 June 2021**

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**4. Investment income**

	Restricted £	Unrestricted £	2021 Total £
Bank interest	-	643	<b>643</b>
<b>Prior period comparative:</b>			2020
	Restricted £	Unrestricted £	Total £
Bank interest	-	6,979	6,979
Dividends	-	561	561
<b>Total investment income</b>	<b>-</b>	<b>7,540</b>	<b>7,540</b>

**5. Government grants**

The charitable company did not receive any government grants in the current or prior period.

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2021

6. Total expenditure

	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2021 Total £
Grants payable (note 8)	-	222,105	-	-	<b>222,105</b>
Volunteer workers support costs	-	8,045	-	-	<b>8,045</b>
Website, CRM and outsourced services	6,758	-	-	-	<b>6,758</b>
Fundraising expenses	22,120	-	-	-	<b>22,120</b>
Personnel costs (note 9)	32,344	27,968	229,139	-	<b>289,451</b>
Premises and office costs	-	-	17,494	-	<b>17,494</b>
Finance, legal and professional	-	-	7,864	7,860	<b>15,724</b>
Depreciation	-	-	1,896	-	<b>1,896</b>
Trustee expenses	-	-	-	686	<b>686</b>
Exchange (gains) / losses	-	-	3,649	-	<b>3,649</b>
<b>Sub-total</b>	<b>61,222</b>	<b>258,118</b>	<b>260,042</b>	<b>8,546</b>	<b>587,928</b>
Allocation of support and governance costs	<u>51,492</u>	<u>217,096</u>	<u>(260,042)</u>	<u>(8,546)</u>	<u>-</u>
<b>Total expenditure</b>	<b><u>112,714</u></b>	<b><u>475,214</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>587,928</u></b>

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2021

#### 6. Total expenditure

Prior period comparative:	Raising funds £	Charitable activities £	Support costs £	Governance costs £	Restated 2020 Total £
Grants payable (note 8)	-	417,583	-	-	<b>417,583</b>
Volunteer workers support costs	-	19,760	-	-	<b>19,760</b>
Website, CRM and outsourced services	14,092	-	-	-	<b>14,092</b>
Fundraising expenses	25,100	-	-	-	<b>25,100</b>
Conference costs	-	389	-	-	<b>389</b>
Personnel costs (note 9)	31,524	31,435	185,312	-	<b>248,271</b>
Premises and office costs	-	-	27,425	-	<b>27,425</b>
Finance, legal and professional	-	-	3,709	7,860	<b>11,569</b>
Depreciation	-	-	1,672	-	<b>1,672</b>
Trustee expenses	-	-	-	3,354	<b>3,354</b>
Exchange (gains) / losses	-	-	(1,039)	-	<b>(1,039)</b>
<b>Sub-total</b>	<b>70,716</b>	<b>469,167</b>	<b>217,079</b>	<b>11,214</b>	<b>768,176</b>
Allocation of support and governance costs	<u>29,903</u>	<u>198,390</u>	<u>(217,079)</u>	<u>(11,214)</u>	<u>-</u>
<b>Total expenditure</b>	<b><u>100,619</u></b>	<b><u>667,557</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>768,176</u></b>

The 2020 comparatives have been restated in line with the Charities SORP (FRS 102). The restatements are purely reclassifications of expenditure and do not affect net income.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2021

##### 7. Net movement in funds

This is stated after charging:

	2021	2020
	£	£
Depreciation	1,896	1,672
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	686	3,354
Auditors' remuneration:		
▪ Statutory audit (including VAT)	<u>7,860</u>	<u>7,860</u>

Trustees' reimbursed expenses relate to board meeting expenses incurred by 7 trustees (2020: 10 trustees).

##### 8. Grants payable to partners

	2021	2020
	£	£
INF Nepal	120,116	365,638
Asal Chhimekee Nepal (ACN)	44,303	36,073
Group of Helping Hands (SAHAS) Nepal	43,710	7,698
Sarwangin Sewa Samaj	10,879	7,566
Grants < £5k	<u>3,097</u>	<u>608</u>
<b>Total grants payable</b>	<b><u>222,105</u></b>	<b><u>417,583</u></b>

All grants are paid to fund charitable activities in Nepal. The grants shown above do not include any support cost allocations.

##### 9. Staff costs and numbers

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	238,508	198,446
Social security costs	17,129	16,231
Pension costs	25,232	13,200
Courses, travel and other	8,582	13,648
Holiday pay	<u>-</u>	<u>6,746</u>
	<b><u>289,451</u></b>	<b><u>248,271</u></b>

No employee earned more than £60,000 during the year (2020: none).

The key management personnel of the charitable company comprise the Trustees and Chief Executive Officer. The total employee benefits of the key management personnel including gross wages, employer's national insurance and pension contributions were £54,421 (2020: £53,585).

A termination payment for 1 leaver was made in the year totalling £5,593 (2020: 1 leaver, £3,046).

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2021

#### 9. Staff costs and numbers (continued)

	2021 No.	2020 No.
Average head count	<u>10.00</u>	<u>9.00</u>

#### 10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 11. Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 July 2020	37,144
Additions in year	<u>-</u>
At 30 June 2021	<u>37,144</u>
<b>Depreciation</b>	
At 1 July 2020	33,288
Charge for the year	<u>1,896</u>
At 30 June 2021	<u>35,184</u>
<b>Net book value</b>	
<b>At 30 June 2021</b>	<u><u>1,960</u></u>
At 30 June 2020	<u><u>3,856</u></u>

#### 12. Investments

	2021 £	2020 £
Market value at 1 July 2020	42,688	43,373
Unrealised gains / (losses)	<u>5,000</u>	<u>(685)</u>
<b>Market value at 30 June 2021</b>	<u><u>47,688</u></u>	<u><u>42,688</u></u>
<b>Historical cost</b>	<u><u>26,922</u></u>	<u><u>26,922</u></u>

The above investments held with Invesco and Blackrock were originally acquired by International Nepal Fellowship, before the company was incorporated. The investments were transferred to the company on 15 July 1996 at the market value of £9,160. A further gift of shares was received in 2005, with a value of £17,762.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2021

#### 13. Debtors

	2021 £	2020 £
Gift aid receivable	32,684	37,716
Prepayments	<u>1,943</u>	<u>1,233</u>
	<u><b>34,627</b></u>	<u><b>38,949</b></u>

#### 14. Creditors: amounts falling due within 1 year

	2021 £	2020 £
Grant commitments (note 16)	126,752	257,839
Accruals	25,301	23,463
Other taxation and social security	<u>4,410</u>	<u>4,889</u>
	<u><b>156,463</b></u>	<u><b>286,191</b></u>

#### 15. Creditors: amounts falling due after 1 year

	2021 £	2020 £
Grant commitments (note 16)	<u>-</u>	<u>17,904</u>

#### 16. Grants commitments

	2021 £	2020 £
Grant commitments brought forward	275,743	299,926
Grants committed during the period	73,114	393,400
Grants paid during the period	<u>(222,105)</u>	<u>(417,583)</u>
<b>Grant commitments carried forward</b>	<u><b>126,752</b></u>	<u><b>275,743</b></u>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2021

17. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	1,960	<b>1,960</b>
Investments	-	47,688	-	<b>47,688</b>
Net current assets	<u>887,142</u>	<u>417,312</u>	<u>28,103</u>	<u><b>1,332,557</b></u>
<b>Net assets at 30 June 2021</b>	<u><b>887,142</b></u>	<u><b>465,000</b></u>	<u><b>30,063</b></u>	<u><b>1,382,205</b></u>
<b>Prior period comparative</b>				
	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	3,856	<b>3,856</b>
Investments	-	-	42,688	<b>42,688</b>
Net current assets	676,216	465,000	16,872	<b>1,158,088</b>
Creditors: due after 1 year	<u>(17,904)</u>	<u>-</u>	<u>-</u>	<u><b>(17,904)</b></u>
<b>Net assets at 30 June 2020</b>	<u><b>658,312</b></u>	<u><b>465,000</b></u>	<u><b>63,416</b></u>	<u><b>1,186,728</b></u>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2021

18. Movements in funds

	At 1 July 2020 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 June 2021 £
<b>Restricted funds</b>						
<i>Partners' programmes and projects:</i>						
INF Nepal programmes & disaster relief	367,664	512,498	(220,836)	-	-	<b>659,326</b>
Seconded workers	165	1,770	(1,795)	-	-	<b>140</b>
Gordon Leitch memorial fund	29,316	-	-	-	-	<b>29,316</b>
Chhahari School	-	425	-	-	-	<b>425</b>
HBTA	1,089	562	(1,269)	-	-	<b>382</b>
KISC	193	-	-	-	-	<b>193</b>
PRABHAV	126	208	-	-	-	<b>334</b>
Samaritan Home	1,819	927	-	-	-	<b>2,746</b>
Volunteer workers support fund	236,531	29,947	(93,607)	-	-	<b>172,871</b>
Welfare fund for volunteer workers	21,409	-	-	-	-	<b>21,409</b>
<b>Total restricted funds</b>	<b>658,312</b>	<b>546,337</b>	<b>(317,507)</b>	<b>-</b>	<b>-</b>	<b>887,142</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	-	<b>240,000</b>
Nepal programmes	100,000	-	-	-	-	<b>100,000</b>
Investment in growth	125,000	-	-	-	-	<b>125,000</b>
<i>Total designated funds</i>	<b>465,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>465,000</b>
General funds	63,416	232,068	(270,421)	5,000	-	<b>30,063</b>
<b>Total unrestricted funds</b>	<b>528,416</b>	<b>232,068</b>	<b>(270,421)</b>	<b>5,000</b>	<b>-</b>	<b>495,063</b>
<b>Total funds</b>	<b>1,186,728</b>	<b>778,405</b>	<b>(587,928)</b>	<b>5,000</b>	<b>-</b>	<b>1,382,205</b>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2021

18. Movements in funds (continued)

Prior period comparative	At 1 July 2019 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 June 2020 £
<b>Restricted funds</b>						
<i>Partners' programmes and projects:</i>						
INF Nepal programmes & disaster relief	275,005	510,355	(417,583)	-	(113)	<b>367,664</b>
Seconded workers	-	2,805	(2,640)	-	-	<b>165</b>
Chhahari School	520	147	(667)	-	-	-
Ear camps	100	-	-	-	(100)	-
Gordon Leitch memorial fund	29,180	136	-	-	-	<b>29,316</b>
HBTA	2,048	2,760	(3,719)	-	-	<b>1,089</b>
KISC	193	-	-	-	-	<b>193</b>
PRABHAV	236	219	(329)	-	-	<b>126</b>
Samaritan Home	2,356	3,417	(3,954)	-	-	<b>1,819</b>
Volunteer workers support fund	318,232	16,861	(98,775)	-	213	<b>236,531</b>
Welfare fund for volunteer workers	21,297	112	-	-	-	<b>21,409</b>
<b>Total restricted funds</b>	<b>649,167</b>	<b>536,812</b>	<b>(527,667)</b>	<b>-</b>	<b>-</b>	<b>658,312</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	-	<b>240,000</b>
Nepal programmes	-	-	-	-	100,000	<b>100,000</b>
Investment in growth	-	-	-	-	125,000	<b>125,000</b>
<i>Total designated funds</i>	<b>240,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>225,000</b>	<b>465,000</b>
General funds	301,685	227,925	(240,509)	(685)	(225,000)	<b>63,416</b>
<b>Total unrestricted funds</b>	<b>541,685</b>	<b>227,925</b>	<b>(240,509)</b>	<b>(685)</b>	<b>-</b>	<b>528,416</b>
<b>Total funds</b>	<b>1,190,852</b>	<b>764,737</b>	<b>(768,176)</b>	<b>(685)</b>	<b>-</b>	<b>1,186,728</b>

## **International Nepal Fellowship**

### **Notes to the financial statements**

**For the year ended 30 June 2021**

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#### **18. Movements in funds (continued)**

##### **Purposes of restricted funds**

###### **Partners' programmes and projects**

The charity raises funds to support its partners' programmes and projects, primarily from individuals, trusts and foundations. These funds are managed and paid to partners under Memorandums of Understanding (MoUs) signed between the charity and its partners. An MoU will reference the plans and budgets upon which an agreement has been made, and it will also contain a reporting and payment schedule. Payments are normally paid against a report from a partner detailing the work completed against its plans and money spent against the previously submitted budget. MoUs normally cover a period of 12-36 months. Funds received by the charity for a partner's project, but not yet guaranteed for payment, are held as restricted funds in the charity's accounts until firm commitments are made.

###### **Volunteer workers support fund**

The purpose of this fund is several-fold. This provides a cushion against fluctuating income for volunteer allowances and gives peace of mind to volunteer workers while serving with INF. It also provides liquid funds to enable the repatriation of all workers from Nepal in the event of a natural disaster or civil unrest. Finally, because living allowances are higher when a volunteer is on Home Assignment in his/her home country, an element of provision is needed to cover these higher costs.

###### **Welfare fund for volunteer workers**

This fund is a result of a major fundraising effort some years ago on behalf of Volunteer Workers. It has grown through continuing standing orders and now amounts to £21,409. One example of the way this fund is used are small individual grants offered to retired Volunteer Workers to assist for travel costs associated with INF Conferences.

##### **Purposes of designated funds**

###### **Operating reserve**

The policy of the board is to hold an operating reserve of 6–12 months of the budgeted annual costs of INF/UK to cover unforeseen operating events. The sum of £240,000 is held in this reserve being approximately 10 months budgeted annual costs for 2021/22.

###### **Nepal programmes**

Moneys allocated from the general fund for grants to partners in Nepal, but not yet disbursed, are designated as the programmes fund. Grants given by INF/UK are assessed against agreed criteria including INF's charitable purposes and its agreed vision and mission statements. Grants may be given for periods up to 3 years and are documented in memorandums of understanding with each partner.

###### **Investment in growth**

The charity recognises that it will incur costs as a result of its growth strategy ahead of generating income. Funds have therefore been specifically set aside cover anticipated shortfalls over the three years 2020-2023.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2021

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#### 19. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2021	2020
	£	£
Amount falling due:		
Within 1 year	4,375	7,500
Within 1 - 5 years	<u>-</u>	<u>11,250</u>
	<u><u>4,375</u></u>	<u><u>18,750</u></u>

#### 20. Related party transactions

There were no related party transactions during the year (2020: none).

#### 21. Financial instruments at fair value

	2021	2020
	£	£
Financial assets measured at fair value	<u><u>47,688</u></u>	<u><u>42,688</u></u>

Financial assets measured at fair value comprise listed investments.

#### 22. Contingent assets

The charity had been notified of a legacy at 31 March 2021 for which the final amount receivable was not known and therefore the legacy is not accrued. Indications are that the estimated value of this legacy is around £35k.