

COMMUNITY ACTION NEPAL

England & Wales · Charity number 1067772

Details

Other names STC CHARITABLE TRUST

Status Registered

Legal form Charitable company

Company number [03477884](#)

Registered 1998-01-27

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

Contact

Address Stewart Hill Cottage
Hesket Newmarket
Wigton
CA7 8HX

Phone 01768867671

Email info@canepal.com

Website www.canepal.org.uk

Activities

Objects: 4. The charity's objects ('Objects') are specifically restricted to the following: (i) The prevention or relief of poverty (including financial hardship), sickness and/or distress anywhere in the world (particularly in Nepal) by providing or assisting in the provision of education, training, healthcare and nutrition projects, and community development and all the necessary support designed to enable individuals and communities to generate sustainable activity and ensure self-sufficiency.(ii) The relief and assistance of people in the communities in which we do or have worked, who are in need and suffering as victims of natural or other kinds of disaster, supporting them to respond effectively, without creating a dependency on financial aid.(iii) The advancement of the culture and heritage of the indigenous people in the communities in which we work (particularly in Nepal), which may include restoring or rebuilding temples, monasteries and religious houses.(iv) To promote sustainable development* in the communities in the communities in which we work (particularly in Nepal) by:(a) the preservation, conservation and the protection of the environment and the prudent use of resources.(b) the promotion of sustainable means of achieving economic growth and regeneration, and avoiding dependency.*Sustainable development means "development which meets the needs of the present without compromising the ability of future generations to meet their own needs.'
[Nothing in the articles shall authorise an application of the property of the charity for purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and/or section 2 of the Charities Act (Northern Ireland) 2008.]

Activities: To promote health, education, social care and community development in Nepal

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Defined Groups

Geography

- **Area of benefit:** WORLDWIDE
- Nepal

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£391,170	£405,060	-	-
2024-03-31	£368,611	£256,674	-	-
2023-03-31	£409,943	£272,481	-	-
2022-03-31	£447,122	£300,280	-	-
2021-03-31	£511,782	£366,094	£743,808	0

Trustees

Name	Role	Appointed
Andrew Fotherby		2022-07-08
Christopher Powell		2025-03-21
Claire Ann Souch		2025-12-12
Dr Richard Anthony Parkin		2019-03-15
Glyn Utting		2021-09-24
PAUL BRAITHWAITE		
Philip Richard POWELL		2015-09-14
Rosie Scott-Ward		2022-07-08
Roy Welford		2019-09-01
Scott Umpleby		2022-12-12

Accounts

Community Action Nepal

(A company limited by guarantee)

Annual Report and Financial Statements

31 March 2025

Company registration number: 3477884

Charity registration number: 1067772



Community Action Nepal

Contents

Reference and Administrative Details	1
Trustees' report	2
Chairman's report	6
Trustees' responsibilities in relation to the financial statements	7
Independent examiner's report	8
Statement of financial activities	9
Balance sheet	10
Notes to the financial statements	11

Community Action Nepal
Reference and Administrative Details

Charity name	Community Action Nepal
Charity registration number	1067772
Company registration number	3477884
Principal office	Stewart Hill Cottage Hesket Newmarket WIGTON CA7 8HX
Registered office	FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW
Trustees	P Braithwaite P R Powell Dr C A Souch (resigned 20 September 2024) Dr R A Welford Dr R A Parkin G D Utting A W Fotherby R Scott-Ward S R Umpleby C Powell (appointed 21 March 2025)
Patrons	Sir C J S Bonington CBE P B Scott L Houlding
Bankers	Cumberland Building Society 38 Fisher Street CARLISLE CA3 8RQ
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

Community Action Nepal

Trustees' Report for the Year Ended 31 March 2025

Trustees' Report for Year Ended 31 March 2025

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Company for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 as amended by the Charities Act 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

REFERENCE AND ADMINISTRATIVE DETAILS

The trustees who served during the year and who have been appointed since the year end are detailed on page one.

The trustees are appointed by the Council of Trustees in accordance with the Charity's Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is incorporated as a Company Limited by Guarantee and the governing document takes the form of the company's Memorandum and Articles of Association.

CAN's main focus has been on its original core purpose of continuing to deliver aid and support to the communities of the rural inaccessible areas of the Nepalese Himalayas. The Trustees remain in frequent telephone and email contact with the Operations Director Nepal.

At the Annual General Meeting a Secretary, Treasurer and Chair of the Charity are nominated, seconded and appointed. Due to distance, it is not always possible for every member to attend each meeting and the Charity makes increasing use of web-based calls and conference calls. The work of CAN and its finances are always available for inspection. Minutes of the meetings are circulated to all Trustees and relevant information conveyed as appropriate to members of the Management Committee in Nepal and to the Operations Director Nepal.

New trustees are inducted into their role by existing trustees who explain the charity's objectives and activities and pass on their detailed knowledge of the charity's projects and its finances. Trustees are directed towards guidance issued by the Charity Commission and Companies House as to the legal responsibilities they have as trustees and directors and are encouraged to seek any opportunities to continually develop their skills and knowledge.

RISK ASSESSMENT

The Trustees agree and are made aware of their duty to consider the risks that the Charity faces. Reserves accumulated both in the UK bank accounts and in the Kathmandu accounts are maintained at a level to ensure cash reserves are available to support the project work and payment of staff employed to maintain the work. The UK holds funds in a current account and an interest-bearing reserve account. Funds are sent quarterly to the Kathmandu office on receipt of detailed information about funds needed for the following quarter. Trustees are aware that the Charity does not over extend spending in relation to the number of projects maintained. The weakening of the GBP following Brexit has been a major consideration. CAN in Nepal is in close liaison with the Social Welfare Council [SWC] in Nepal about their future requirements and stipulations that were fully implemented by 1 January 2020. Since January 2020, CAN has handed over more of the dispersed project areas and, in compliance with SWC requirements for the next five year period from 10 June 2020 to 9 June 2025, CAN concentrated on the less accessible region of Nubri and Tsum Valley, North Gorkha.

To reduce the risks attached to the use in Nepal of monies raised in the UK, the Charity is registered as an NGO and INGO in Nepal. The UK Trustees are satisfied that CAN has staff and procedures in place to ensure monies are strictly accounted for and are spent as detailed in the quarterly request information. These also comply with the strict and robust accounting procedures of organisations associated with funding part of CAN's work.

As previously, the Trustees are aware that effective financial control is essential both in the UK and in Nepal. Fundraising continues to be a high priority together with on-going awareness of the economic situations in both the UK and in Nepal.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2025

OBJECTIVES AND ACTIVITIES

The Charity was set up in 1997 to provide relief of poverty, sickness and distress amongst the people of Nepal in the project areas in compliance with the stipulations of the Social Welfare Council [SWC] of Nepal, as set out in the Memorandum of Association. The activities, projects and services covered comprise support for health, education, agriculture and livelihoods and the relief of poverty and distress in the SWC nominated and agreed areas.

In setting the Charity's objectives, the Trustees have paid due regard to Charity Commission guidance on public benefit.

The main objective of the Charity during the period under review was providing access to basic health in rural locations. Alongside this CAN has provided education and training to improve agricultural diversity which has a tangible benefit to both health and livelihoods. Both the UK and Nepal Operations Directors maintain close contact with the SWC. CAN is fortunate to have benefited from generous funding, professional advice, and experience from visiting volunteers, as well as from visits to project sites from self-funding members of the Trustee group and the Charity's founder, the late Doug Scott CBE.

The Charity is grateful for and acknowledges the generous contributions made by volunteers who raise funds in the UK and overseas to support the activities as detailed in the accounts and by volunteers who completely self-fund agreed visits to the projects in Nepal and report back to the Trustees.

ACHIEVEMENTS AND PERFORMANCE

During the year under review the donations received by the Charity and regular standing order payments have enabled the Charity to support the running of 11 rural health posts. The charity has also supported 5 schools and funded agriculture training and numerous livelihood projects. Expenditure continues in the furtherance of the Charity's objectives and activities.

Trustees review the levels of reserves in the UK and in Nepal, the on-going repair and maintenance costs, staff costs, exchange rates and future financial requirements needed to ensure the Charity can fulfil commitments.

The Trustees are therefore satisfied that the Charity remains on a secure financial footing and that policies are maintained during the fluctuating and variable economic conditions. They are particularly grateful for the remarkable support received from donors worldwide who continue to help CAN to meet the current additional funding requirements.

FINANCIAL REVIEW

CAN's principal funding sources are the regular standing order donations and large grants from national and international charities and individual donors. Donations given for a nominated project or purpose are recorded as "restricted" as appropriate. The quarterly bank transfers to the Kathmandu bank account enable the continuity of the Charity's objectives in Nepal in accordance with UK Trustees' decisions, as recorded in the Minutes of the Meetings. UK Trustees regularly seek advice from the Kathmandu based Operations Director and the Management Committee that represents the communities within the project areas.

The SWC in Nepal scrutinises CAN's work for periods of five years. Their endorsement entitles CAN to apply to the Government of Nepal for grants towards existing and future project work. This agreement with the SWC has been renewed from June 2025 to June 2030.

RESERVES

The Board of Trustees has established a reserves policy which appropriately reflects the risks to which the Charity is exposed and its obligations. In compliance with such policy, it will review regularly both the sum it wishes to hold in unrestricted reserves and the basis for that figure. The reserves policy considers ongoing fixed costs, excludes variable costs, and does not consider expenditure which is linked to restricted projects and therefore covered by restricted funds. The Board has established a policy for unrestricted funds not committed or expended on core activities, which equates to approximately £310,000. At this level, the Trustees feel that they would be able to continue the current core activities of the Charity in the event of a significant drop in funding for six months. This period would allow the Trustees to consider how the funding would be replaced or the activities changed.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2025

The total funds at 31 March 2025 amounted to £1,126,159 (2024: £1,140,049) of which £155,788 (2024: £132,457) was restricted by the donors in their future use and £776,344 (2024: £776,344) has been designated by the Trustees for specific purposes. This leaves a balance of free reserves of £191,754 (2024: £229,126). The Trustees will continue with their efforts to maintain the level of unrestricted funds at a minimum of six months core activity expenditure.

The majority of reserves are held as cash.

Designated funds which total £776,344 are comprised of:

£100,000 designated for a disaster/emergency fund (this can provide circa two months emergency cover in the event of an earthquake, flood or famine) (2024: £100,000);

£47,599 designated for the pump priming of potential new projects (this is the average cost of a new construction project) (2024: £47,599).

£628,745 designated to cover the cost of the charity's 2025 to 2030 Social Welfare Council agreement (the charity's contract with the Nepal Government) (2024 : £403,016).

PLANS FOR FUTURE PERIODS

The aims and objectives for the future are the maintenance and continuity of health, education, agriculture, livelihood and community development programmes. Careful evaluation of the future project areas will be carried out and focus as stipulated by, and agreed with, the SWC.

The rebuilding works on completed sites and future sites were, and will continue to be, regularly inspected by qualified Nepal staff who have received training in the planning and rebuilding methods recognised in the "Build Back Better" programme, with some CAN Nepal staff receiving additional training in the UK.

PUBLIC BENEFIT REPORTING

The Charity delivers health, education and community development benefits to dispersed, diverse and remote village communities in Nepal. The work continues to support cultural heritage, diversification and long-term viability.

The Charity's trustees and employees do not receive any undisclosed benefits.

The project work is carried out in the geographical locations agreed with the SWC in Nepal and for the general community regardless of age, gender, economic circumstance, religion or caste.

The Charity's trustees are aware of the above requirements and the Charity Commission's Public Benefit guidance and have previously, and will in the future, continue to follow these guidelines.

FUNDS HELD AS CUSTODIAN TRUSTEE

For part of the year the Charity held funds on behalf of other small charities not registered with the Charity Commission of England and Wales as follows:

Kashigaun: The small charity raises funds in the UK but operate small projects in Nepal. From time to time, it deposits funds into the Community Action Nepal UK bank account and asks for agreed sums to be transferred to their accounts in Kathmandu. In addition, it asks for advice from both the UK and Kathmandu offices of Community Action Nepal concerning its activities. The sums held on its behalf are recorded as restricted for that small charity.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2025

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 10 October 2025 and signed on its behalf by:

.....

G D Utting
Trustee

Community Action Nepal

Chairman's Report for the Year Ended 31 March 2025

As Community Action Nepal (CAN) concludes the financial year 2024/2025 we also conclude our 5-year agreement with the Nepal government. I am delighted to report a strong conclusion to the year and completion of our 5 years agreement delivering life changing projects in some of the most rural parts of the Himalayas. Based on the success of our last 5 years we have committed to and agreed another 5 years agreement to continue our great work in Nepal.

In 2025/2026 we will be continuing our support to the rural valleys of Tsum and Nubri in North Gorkha. Our 5-year plan will include the development and strengthening of health care and reporting in the region. We are working hard to capture better data from our health posts to enable us to learn from and improve our service. We can then share this data with the Government to drive improvement throughout rural Nepal. We are developing handover plans to transfer knowledge and infrastructure to the Government over the next 5 years in line with our ethos.

During our March 2025 visit we attended multiple meetings with staff and Government to agree our plans and provide positive feedback to our staff on behalf of our trustees and donors. During this visit we also discussed CAN's aspiration to find another remote valley to take our successful health model and support another remote community. During 2026 we will be scoping out and carrying out due diligence in finding another valley to continue our great work.

On the back of another successful year, I would like to thank our staff in both the UK and Nepal for their excellent work and professionalism. Our nurses continue to inspire through their dedicated service and positive attitude. I would like to thank our trustees and Patrons for their continued support, expertise and drive.

Last of all a massive thank you to our loyal supporters. Without their support, passion and enthusiasm none of our great work would be achievable. I am looking forward to financial year 2025/26 and continuing our great work improving the lives of those living in the rural mountainous regions of Nepal.

Best regards

Glyn Utting

Chair of Community Action Nepal

Community Action Nepal

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Community Action Nepal for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these 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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner's Report to the Trustees of Community Action Nepal

I report on the accounts of the company for the year ended 31 March 2025, which are set out on pages 9 to 24.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 as amended by the Charities Act 2022 (the Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

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

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Martin Borradaile ACA
Dodd & Co Limited
Chartered Accountants
10 October 2025

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Community Action Nepal

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 March 2025

		Unrestricted Funds	Restricted Funds	Total Funds 2025	Total Funds 2024
	Note	£	£	£	£
Income and endowments from:					
Donations and legacies	2	248,271	92,576	340,847	329,441
Other trading activities	3	23,175	-	23,175	22,860
Investments	4	27,148	-	27,148	16,310
Total income and endowments		<u>298,594</u>	<u>92,576</u>	<u>391,170</u>	<u>368,611</u>
Expenditure on:					
Raising funds		8,022	-	8,022	7,367
Charitable activities		327,793	69,245	397,038	249,307
Total expenditure		<u>335,815</u>	<u>69,245</u>	<u>405,060</u>	<u>256,674</u>
Net (expenditure)/income before transfers		(37,221)	23,331	(13,890)	111,937
Transfers					
Transfers between funds		-	-	-	-
Net movements in funds		(37,221)	23,331	(13,890)	111,937
Reconciliation of funds					
Total funds brought forward		1,007,592	132,457	1,140,049	1,028,112
Total funds carried forward		<u>970,371</u>	<u>155,788</u>	<u>1,126,159</u>	<u>1,140,049</u>

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 11 to 24 form an integral part of these financial statements.

Community Action Nepal
Company registration number: 3477884
Balance Sheet as at 31 March 2025

		2025	2024
	Note	£	£
Fixed assets			
Tangible assets	10	2,273	2,122
Current assets			
Stocks and work in progress		5,801	4,730
Debtors	11	25,397	35,191
Cash at bank and in hand		1,102,343	1,106,808
		<u>1,133,541</u>	<u>1,146,729</u>
Creditors: Amounts falling due within one year	12	<u>(9,655)</u>	<u>(8,802)</u>
Net current assets		<u>1,123,886</u>	<u>1,137,927</u>
Net assets		<u><u>1,126,159</u></u>	<u><u>1,140,049</u></u>
The funds of the charity:			
Restricted funds		155,788	132,457
Unrestricted funds			
Unrestricted income funds		<u>970,371</u>	<u>1,007,592</u>
Total charity funds		<u><u>1,126,159</u></u>	<u><u>1,140,049</u></u>

For the financial year ended 31 March 2025, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 10 October 2025 and signed on its behalf by:

.....
G D Utting
Trustee

The notes on pages 11 to 24 form an integral part of these financial statements.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

The charitable company 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 notes.

Going concern

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 16.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2025

..... continued

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other 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.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Income derived from the sale of goods and from events is recognised as earned, that is as the related goods or services are provided.

Investment income is recognised on a receivable basis.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds are the costs associated with attracting donations and legacies.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Amounts paid to Nepal are payments generally made to the charity's own registered Non Governmental Organisation and International Non Governmental Organisation in Kathmandu, Nepal, in the furtherance of the charitable objectives. These amounts are recognised in the Statement of Financial Activities on their date of payment.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs are the general overheads of the company and are accounted for on an accruals basis.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2025

..... continued

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures, fittings and equipment	33% straight line basis and 15% reducing balance basis
----------------------------------	--

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2025

..... continued

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2025

..... continued

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Donations and legacies				
Legacies and bequests	15,366	-	15,366	5,634
General donations	100,935	53,783	154,718	203,418
International Porter Protection Group	2,000	-	2,000	-
Simon & Lou Brown Foundation	-	12,500	12,500	12,499
Gift Aid tax reclaimed	14,218	7,750	21,968	35,377
	<u>113,976</u>	<u>92,576</u>	<u>206,552</u>	<u>256,928</u>
Grants				
El Rio Foundation	10,752	-	10,752	12,000
Nepalese Children's Medical Trust	10,543	-	10,543	-
Reach Out for Nepal	-	-	-	6,500
The Watson Trust	100,000	-	100,000	-
Other grants	13,000	-	13,000	31,800
Randal Charitable Foundation	-	-	-	12,213
The Evan Cornish Foundation	-	-	-	5,000
Clephane Hume Charitable Trust	-	-	-	5,000
	<u>134,295</u>	<u>-</u>	<u>134,295</u>	<u>72,513</u>
	<u>248,271</u>	<u>92,576</u>	<u>340,847</u>	<u>329,441</u>

Of the donations and legacies income in 2024, £157,470 related to unrestricted funds and £171,971 related to restricted funds.

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Sales of purchased goods	6,591	-	6,591	6,919
Events income	16,584	-	16,584	15,941
	<u>23,175</u>	<u>-</u>	<u>23,175</u>	<u>22,860</u>

All of the fundraising activities income in 2024 related to unrestricted funds.

Community Action Nepal
Notes to the Financial Statements for the Year Ended 31 March 2025

..... *continued*

4 Investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Interest on cash deposits	27,148	-	27,148	16,310

All of the investment income in 2024 related to unrestricted funds.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2025

..... continued

5 Expenditure

	Fundraising	Charitable activities	Total 2025	Total 2024
	£	£	£	£
Direct costs				
Amounts paid to Nepal for use in projects	-	242,883	242,883	107,322
Helicopters, hotels and other travel expenses to visit projects in Nepal	-	15,152	15,152	12,362
Event costs	5,563	-	5,563	4,318
Purchases of goods for resale	2,459	-	2,459	3,049
	<u>8,022</u>	<u>258,035</u>	<u>266,057</u>	<u>127,051</u>
Support costs				
Wages and salaries	-	101,006	101,006	88,660
Staff NIC (Employers)	-	4,981	4,981	3,510
Staff pensions	-	2,372	2,372	2,011
Staff health plan	-	270	270	-
Fees for self employed labour	-	-	-	760
Staff training	-	4,200	4,200	1,095
Staff travel costs	-	4,264	4,264	6,363
Rent	-	288	288	-
Light, heat and power	-	853	853	1,064
Insurance	-	1,070	1,070	959
Telephone and fax	-	850	850	868
Website and IT costs	-	4,692	4,692	3,265
Printing, postage and stationery	-	4,673	4,673	8,677
Sundry expenses	-	2,004	2,004	3,652
Trustee meetings	-	849	849	651
Travel and subsistence to lectures and events	-	58	58	1,009
Accountancy fees	-	4,860	4,860	5,638
Independent examiner's fee	-	450	450	425
Bank charges	-	304	304	206
Depreciation of fixtures, fittings and equipment	-	959	959	810
	<u>-</u>	<u>139,003</u>	<u>139,003</u>	<u>129,623</u>
	<u>8,022</u>	<u>397,038</u>	<u>405,060</u>	<u>256,674</u>

Of the expenditure in 2024, £140,384 related to unrestricted funds and £116,290 related to restricted funds.

6 Trustees' remuneration and expenses

No remuneration was paid to any of the Trustees during the year in respect of duties performed in their roles as Trustees.

None of the trustees received any monies to cover travel expenses during the year.

Community Action Nepal
Notes to the Financial Statements for the Year Ended 31 March 2025

..... continued

7 Net (expenditure)/income

Net (expenditure)/income is stated after charging:

	2025	2024
	£	£
Depreciation of tangible fixed assets	959	810
Accountancy fees	4,860	5,638
Independent examiner's fee	450	425
	<u> </u>	<u> </u>

8 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2025	2024
	No.	No.
Charitable activities	3	3
	<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows:

	2025	2024
	£	£
Wages and salaries	101,006	88,660
Social security	4,981	3,510
Other pension costs	2,372	2,011
	<u>108,359</u>	<u>94,181</u>

9 Taxation

The company is a registered charity and is therefore exempt from taxation on income and gains.

Community Action Nepal
Notes to the Financial Statements for the Year Ended 31 March 2025

..... continued

10 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
As at 1 April 2024	22,694
Additions	1,110
As at 31 March 2025	<u>23,804</u>
Depreciation	
As at 1 April 2024	20,572
Charge for the year	959
As at 31 March 2025	<u>21,531</u>
Net book value	
As at 31 March 2025	<u>2,273</u>
As at 31 March 2024	<u>2,122</u>

11 Debtors

	2025 £	2024 £
Other debtors including gift aid tax	23,954	34,296
Prepayments and accrued income	1,443	895
	<u>25,397</u>	<u>35,191</u>

12 Creditors: Amounts falling due within one year

	2025 £	2024 £
Other creditors	84	49
Accruals and deferred income	9,571	8,753
	<u>9,655</u>	<u>8,802</u>

Creditors amounts falling due within one year includes deferred income:

	2025 £	2024 £
As at 1 April 2024	5,000	-
Amount deferred in the year	-	5,000
As at 31 March 2025	<u>5,000</u>	<u>5,000</u>

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2025

..... continued

13 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

14 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £2,372 (2024 - £2,011).

Contributions totalling £84 (2024 - £49) were payable to the scheme at the end of the period and are included in creditors.

15 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

During the year one of the charity's patrons, P B Scott, allowed the Charity to use her home as its office and store place. The Charity contributed £1,064 and £62 towards office heat and light costs and telephone costs respectively (2024 : £1,064 and £680). At 31 March 2025 Community Action Nepal owed P B Scott £nil (2024 : £nil).

P B Scott, is the director of Community Action Treks Limited. Throughout the year a balance existed between the Charity and Community Action Treks Limited due to Community Action Treks Limited receiving donations which should have been paid to the Charity and the Charity settling invoices on behalf of Community Action Treks Limited. At 31 March 2025 Community Action Treks Limited owed the Charity £4,215 (2024 : £4,215).

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2025

..... continued

16 Analysis of funds

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Designated Funds					
Social Welfare Council agreement costs up to 2025	225,729	-	-	(225,729)	-
Disaster / emergency fund	100,000	-	-	-	100,000
Potential new projects	47,599	-	-	-	47,599
Social Welfare Council agreement costs for 2025 to 2029	403,016	-	-	225,729	628,745
	<u>776,344</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>776,344</u>
General Funds					
Unrestricted income fund	<u>231,248</u>	<u>298,594</u>	<u>(335,815)</u>	<u>-</u>	<u>194,027</u>
Restricted Funds					
Sherpa museum	50,155	-	-	-	50,155
North Gorkha health posts	10,000	26,043	(18,543)	-	17,500
Prok health post	15,000	-	(12,213)	-	2,787
Samagaun health post	7,500	7,500	(6,300)	-	8,700
Bihi health post	-	12,213	(9,580)	-	2,633
Kashigaun school	200	480	-	-	680
Chumling health post	6,249	12,500	(10,416)	-	8,333
Livelihoods and agriculture	4,090	2,590	(4,180)	-	2,500
Education	2,513	-	(2,513)	-	-
Tsum Nubri blood testing machine	500	-	(500)	-	-
Lihi health post	31,250	31,250	-	-	62,500
Philim health post maternity refurbishment	5,000	-	(5,000)	-	-
	<u>132,457</u>	<u>92,576</u>	<u>(69,245)</u>	<u>-</u>	<u>155,788</u>
	<u>1,140,049</u>	<u>391,170</u>	<u>(405,060)</u>	<u>-</u>	<u>1,126,159</u>

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2025

..... continued

Prior period

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Designated Funds					
Social Welfare Council agreement costs up to 2025	547,450	-	-	(321,721)	225,729
Disaster / emergency fund	100,000	-	-		100,000
Potential new projects	47,599	-	-		47,599
Social Welfare Council agreement costs for 2025 to 2029	-	-	-	403,016	403,016
	<u>695,049</u>	<u>-</u>	<u>-</u>	<u>81,295</u>	<u>776,344</u>
General Funds		-			
Unrestricted income fund	<u>265,458</u>	<u>196,640</u>	<u>(140,384)</u>	<u>(90,466)</u>	<u>231,248</u>
Restricted Funds					
Sherpa museum	25,155	25,000	-	-	50,155
North Gorkha health posts	22,500	29,513	(42,013)	-	10,000
Prok health post	-	27,500	(12,500)	-	15,000
Samagaun health post	7,500	7,500	(7,500)	-	7,500
Kashigaun school	-	4,920	(12,810)	8,090	200
Chumling health post	-	12,499	(6,250)	-	6,249
Tsum Nubri health post	11,190	-	(11,190)	-	-
Nile health post	-	3,000	(3,000)	-	-
Manakamana Deaf School	760	-	(1,841)	1,081	-
Livelihoods and agriculture	500	6,500	(2,910)	-	4,090
Education	-	8,000	(5,487)	-	2,513
Tsum Nubri blood testing machine	-	500	-	-	500
Lihi health post	-	31,250	-	-	31,250
Health project for children aged 0 to 14	-	10,000	(10,000)	-	-
Philim health post maternity refurbishment	-	5,000	-	-	5,000
Independent Living Centre Kathmandu	-	789	(789)	-	-
	<u>67,605</u>	<u>171,971</u>	<u>(116,290)</u>	<u>9,171</u>	<u>132,457</u>
	<u><u>1,028,112</u></u>	<u><u>368,611</u></u>	<u><u>(256,674)</u></u>	<u><u>-</u></u>	<u><u>1,140,049</u></u>

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2025

..... continued

The designated funds were created for the following purposes:

Designated fund	Purpose
Social Welfare Council agreement costs up to 2025	To cover the costs of the charity's Social Welfare Council agreement (the charity's contract with the Nepal Government) until 2025
Disaster / emergency fund	To provide circa two months of emergency cover in the event of an earthquake, flood or famine
Potential new projects	Funds to pump prime potential new projects (this is the average cost of a new construction project)
Social Welfare Council agreement costs for 2025 to 2029	To cover the costs of the charity's Social Welfare Council agreement (the charity's contract with the Nepal Government) for the years of 2025 to 2029

The restricted funds were created for the following projects:

Restricted fund	Project
Sherpa museum	To build a Sherpa heritage home museum and photographic gallery
North Gorkha health posts	To support health posts and provide healthcare in North Gorkha
Prok health post	To fund the running costs of Prok health post
Samagaun health post	To build and fund the running costs of Samagaun health post
Bihi health post	To fund the running costs of Bihi health post
Kashigaun school	Umbrella project administered by CAN to build and fund the running costs of a school at Kashigaun
Chumling health post	To build and fund the running costs of Chumling health post
Tsum Nubri health post	To assist with the running costs of the health post at Tsum Nubri
Nile health post	To assist with the running costs of the health post at Nile
Manakamana Deaf School	To help fund a teacher's salary for one year
Livelihoods and agriculture	To assist with the funding of general livelihoods and agriculture programmes
Education	To assist with the funding of general education programmes
Tsum Nubri blood testing machine	To fund the purchase of a blood testing machine for Tsum Nubri health post
Lihi health post	To rebuild Lihi health post
Health project for children aged 0 to 14	To provide healthcare and schooling for children aged from 0 to 14
Philim health post maternity refurbishment	To refurbishment the maternity provisions at Philim health post
Independent Living Centre Kathmandu	Independent fund administered by CAN to support the Independent Living Centre in Kathmandu

17 Transfers

During the previous year transfers were made from the general fund to two restricted funds (see note 16). The monies transferred were the charity's contribution towards the restricted fund projects to meet the shortfall in restricted funding.

Transfers are made between general funds and designated funds in order to reflect changes in the value of designated funds that the trustees decide need to be held at each year end.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2025

..... continued

18 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2025	Total Funds 2024
	£	£	£	£
Tangible assets	2,273	-	2,273	2,122
Current assets	977,753	155,788	1,133,541	1,146,729
Creditors: Amounts falling due within one year	(9,655)	-	(9,655)	(8,802)
Net assets	<u>970,371</u>	<u>155,788</u>	<u>1,126,159</u>	<u>1,140,049</u>

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2024	Total Funds 2023
	£	£	£	£
Tangible assets	2,122	-	2,122	1,448
Current assets	1,014,272	132,457	1,146,729	1,029,964
Creditors: Amounts falling due within one year	(8,802)	-	(8,802)	(3,300)
Net assets	<u>1,007,592</u>	<u>132,457</u>	<u>1,140,049</u>	<u>1,028,112</u>

Accounts

Community Action Nepal

(A company limited by guarantee)

Annual Report and Financial Statements

31 March 2024

Company registration number: 3477884

Charity registration number: 1067772



Community Action Nepal
Contents

Reference and Administrative Details	1
Trustees' report	2
Chairman's report	6
Trustees' responsibilities in relation to the financial statements	7
Independent examiner's report	8
Statement of financial activities	9
Balance sheet	10
Cash flow statement	11
Notes to the financial statements	12

Community Action Nepal
Reference and Administrative Details

Charity name	Community Action Nepal
Charity registration number	1067772
Company registration number	3477884
Principal office	Stewart Hill Cottage Hesket Newmarket WIGTON CA7 8HX
Registered office	FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW
Trustees	P Braithwaite P R Powell Dr C A Souch (resigned 20 September 2024) Dr R A Welford Dr R A Parkin G D Utting P B Pearson (retired 22 September 2023) A W Fotherby R Scott-Ward S R Umpleby
Patrons	Sir C J S Bonington CBE P B Scott L Houlding
Bankers	Cumberland Building Society 38 Fisher Street CARLISLE CA3 8RQ
Accountant	Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW

Community Action Nepal

Trustees' Report for the Year Ended 31 March 2024

Trustees' Report for Year Ended 31st March 2024

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Company for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 as amended by the Charities Act 2022 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

REFERENCE AND ADMINISTRATIVE DETAILS

The trustees who served during the year and who have been appointed since the year end are detailed on page one.

The trustees are appointed by the Council of Trustees in accordance with the Charity's Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is incorporated as a Company Limited by Guarantee and the governing document takes the form of the company's Memorandum and Articles of Association.

CAN's main focus has been on its original core purpose of continuing to deliver aid and support to the communities of the rural inaccessible areas of the Nepalese Himalayas. The Trustees remain in frequent telephone and email contact with the Operations Director Nepal.

At the Annual General Meeting a Secretary, Treasurer and Chair of the Charity are nominated, seconded and appointed. Due to distance, it is not always possible for every member to attend each meeting and the Charity makes increasing use of web-based calls and conference calls. The work of CAN and its finances are always available for inspection. Minutes of the meetings are circulated to all Trustees and relevant information conveyed as appropriate to members of the Management Committee in Nepal and to the Operations Director Nepal.

New trustees are inducted into their role by existing trustees who explain the charity's objectives and activities and pass on their detailed knowledge of the charity's projects and its finances. Trustees are directed towards guidance issued by the Charity Commission and Companies House as to the legal responsibilities they have as trustees and directors and are encouraged to seek any opportunities to continually develop their skills and knowledge.

RISK ASSESSMENT

The Trustees agree and are made aware of their duty to consider the risks that the Charity faces. Reserves accumulated both in the UK bank accounts and in the Kathmandu accounts are maintained at a level to ensure cash reserves are available to support the project work and payment of staff employed to maintain the work. The UK holds funds in a current account and an interest-bearing reserve account. Funds are sent quarterly to the Kathmandu office on receipt of detailed information about funds needed for the following quarter. Trustees are aware that the Charity does not over extend spending in relation to the number of projects maintained. The weakening of the GBP following Brexit has been a major consideration. CAN in Nepal is in close liaison with the Social Welfare Council [SWC] in Nepal about their future requirements and stipulations that were fully implemented by 1 January 2020. Since January 2020, CAN has handed over more of the dispersed project areas and, in compliance with SWC requirements for the next five year period from 10 June 2020 to 9 June 2025, CAN is concentrating on the less accessible region of Nubri and Tsum Valley, North Gorkha.

To reduce the risks attached to the use in Nepal of monies raised in the UK, the Charity is registered as an NGO and INGO in Nepal. The UK Trustees are satisfied that CAN has staff and procedures in place to ensure monies are strictly accounted for and are spent as detailed in the quarterly request information. These also comply with the strict and robust accounting procedures of organisations associated with funding part of the CAN's work.

As previously, the Trustees are aware that effective financial control is essential both in the UK and in Nepal. Fundraising continues to be a high priority together with on-going awareness of the economic situations in both the UK and in Nepal.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2024

OBJECTIVES AND ACTIVITIES

The Charity was set up in 1997 to provide relief of poverty, sickness and distress amongst the people of Nepal in the project areas in compliance with the stipulations of the Social Welfare Council [SWC] of Nepal, as set out in the Memorandum of Association. The activities, projects and services covered comprise support for health, education, agriculture and livelihoods and the relief of poverty and distress in the SWC nominated and agreed areas.

In setting the Charity's objectives, the Trustees have paid due regard to Charity Commission guidance on public benefit.

The main objective of the Charity during the period under review was providing access to basic health in rural locations. Alongside this CAN has provided education and training to improve agricultural diversity which has a tangible benefit to both health and livelihoods. Both the UK and Nepal Operations Directors maintain close contact with the SWC. CAN is fortunate to have benefited from generous funding, professional advice, and experience from visiting volunteers, as well as from visits to project sites from self-funding members of the Trustee group and the Charity's founder, the late Doug Scott CBE.

The Charity is grateful for and acknowledges the generous contributions made by volunteers who raise funds in the UK and overseas to support the activities as detailed in the accounts and by volunteers who completely self-fund agreed visits to the projects in Nepal and report back to the Trustees.

ACHIEVEMENTS AND PERFORMANCE

During the year under review the donations received by the Charity and regular standing order payments have enabled the Charity to support the running of 11 rural health posts. The charity has also supported 5 schools and funded agriculture training and numerous livelihood projects. Expenditure continues in the furtherance of the Charity's objectives and activities.

Trustees review the levels of reserves in the UK and in Nepal, the on-going repair and maintenance costs, staff costs, exchange rates and future financial requirements needed to ensure the Charity can fulfil commitments.

The Trustees are therefore satisfied that the Charity remains on a secure financial footing and that policies are maintained during the fluctuating and variable economic conditions. They are particularly grateful for the remarkable support received from donors worldwide who continue to help CAN to meet the current additional funding requirements.

FINANCIAL REVIEW

CAN's principal funding sources are the regular standing order donations and large grants from national and international charities and individual donors. Donations given for a nominated project or purpose are recorded as "restricted" as appropriate. The quarterly bank transfers to the Kathmandu bank account enable the continuity of the Charity's objectives in Nepal in accordance with UK Trustees' decisions, as recorded in the Minutes of the Meetings. UK Trustees regularly seek advice from the Kathmandu based Operations Director and the Management Committee that represents the communities within the project areas.

The SWC in Nepal scrutinises CAN's work for periods of five years. Their endorsement entitles CAN to apply to the Government of Nepal for grants towards existing and future project work. This agreement with the SWC has been renewed from June 2020 to June 2025.

RESERVES

The Board of Trustees has established a reserves policy which appropriately reflects the risks to which the Charity is exposed and its obligations. In compliance with such policy, it will review regularly both the sum it wishes to hold in unrestricted reserves and the basis for that figure. The reserves policy considers ongoing fixed costs, excludes variable costs, and does not consider expenditure which is linked to restricted projects and therefore covered by restricted funds. The Board has established a policy for unrestricted funds not committed or expended on core activities, which equates to approximately £310,000. At this level, the Trustees feel that they would be able to continue the current core activities of the Charity in the event of a significant drop in funding for six months. This period would allow the Trustees to consider how the funding would be replaced or the activities changed.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2024

The total funds at 31 March 2024 amounted to £1,140,049 (2023: £1,028,112) of which £132,457 (2023: £67,605) was restricted by the donors in their future use and £776,344 (2023: £695,049) has been designated by the Trustees for specific purposes. This leaves a balance of free reserves of £229,126 (2023: £264,010). The Trustees will continue with their efforts to maintain the level of unrestricted funds at a minimum of six months core activity expenditure.

The majority of reserves are held as cash.

Designated funds which total £776,344 are comprised of:

£225,729 designated to cover the costs of the charity's Social Welfare Council agreement (the charity's contract with the Nepal Government) until 2025 (2023: £547,450);

£100,000 designated for a disaster/emergency fund (this can provide circa two months emergency cover in the event of an earthquake, flood or famine) (2023: £100,000);

£47,599 designated for the pump priming of potential new projects (this is the average cost of a new construction project) (2023: £47,599).

£403,016 designated for pump priming the 2025 to 2030 Social Welfare Council agreement (the charity's new contract with the Nepal Government which is currently under negotiation) (2023: £nil).

PLANS FOR FUTURE PERIODS

The aims and objectives for the future are the maintenance and continuity of health, education, agriculture, livelihood and community development programmes. Careful evaluation of the future project areas will be carried out and focus as stipulated by, and agreed with, the SWC.

The rebuilding works on completed sites and future sites were, and will continue to be, regularly inspected by qualified Nepal staff who have received training in the planning and rebuilding methods recognised in the "Build Back Better" programme, with some CAN Nepal staff receiving additional training in the UK.

PUBLIC BENEFIT REPORTING

The Charity delivers health, education and community development benefits to dispersed, diverse and remote village communities in Nepal. The work continues to support cultural heritage, diversification and long-term viability.

The Charity's trustees and employees do not receive any undisclosed benefits.

The project work is carried out in the geographical locations agreed with the SWC in Nepal and for the general community regardless of age, gender, economic circumstance, religion or caste.

The Charity's trustees are aware of the above requirements and the Charity Commission's Public Benefit guidance and have previously, and will in the future, continue to follow these guidelines.

FUNDS HELD AS CUSTODIAN TRUSTEE

For part of the year the Charity held funds on behalf of other small charities not registered with the Charity Commission of England and Wales as follows:

Kashigaun: The small charity raises funds in the UK but operate small projects in Nepal. From time to time, it deposits funds into the Community Action Nepal UK bank account and asks for agreed sums to be transferred to their accounts in Kathmandu. In addition, it asks for advice from both the UK and Kathmandu offices of Community Action Nepal concerning its activities. The sums held on its behalf are recorded as restricted for that small charity.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2024

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 20 September 2024 and signed on its behalf by:

A handwritten signature in cursive script, reading "Glyn Utting", written over a horizontal dotted line.

G D Utting
Trustee

Community Action Nepal

Chairman's Report for the Year Ended 31 March 2024

As Community Action Nepal (CAN) concludes the financial year 2023/2024 I am delighted to report another strong year delivering life changing projects in some of the most rural parts of the Himalayas. Against a global backdrop of instability in politics, climate and economies we have managed to deliver a strong financial performance and maintain consistent fundraising and delivery of projects.

In financial year 2023/2024 we have been working in collaboration with our team in Nepal and the local communities we support to agree our next 5-year commitment. In 2025 we will be continuing our support to the rural valleys of Tsum and Nubri in North Gorkha. Our 5 year plan will include the development and strengthening of healthcare and reporting in the region. We are working hard to capture better data from our health posts to enable us to learn from and improve our service. We can then share this data with the Government to drive improvement throughout rural Nepal. We are also delivering a new health post at Lihi, replacing the existing building damaged in a landslide. We are building a new school at Nile and Chule to further improve the education provision in Tsum valley.

During our November 2023 visit we communicated our 5 year plans with the local communities and received their commitment and support to all projects and programmes. Successful delivery always relies on buy in and community led commitment. This is a foundation and key principle of CAN's delivery model.

On the back of another successful year, I would like to thank our staff in both the UK and Nepal for their excellent work and professionalism. Our nurses continue to inspire through their dedicated service and positive attitude. I would like to thank our Trustees and Patrons for their continued support, expertise and drive.

Last of all a massive thank you to our loyal supporters. Without their support, passion and enthusiasm none of our great work would be achievable. I am looking forward to financial year 2024/25 and continuing our great work improving the lives of those living in the rural mountainous regions of Nepal.

Best regards

Glyn Utting

Chair of Community Action Nepal

Community Action Nepal

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Community Action Nepal for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these 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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner's Report to the Trustees of Community Action Nepal

I report on the accounts of the company for the year ended 31 March 2024, which are set out on pages 9 to 24.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 as amended by the Charities Act 2022 (the Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

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

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Martin Borradaile ACA
Dodd & Co Limited
Chartered Accountants
20 September 2024

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Community Action Nepal

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 March 2024

		Unrestricted Funds	Restricted Funds	Total Funds 2024	Total Funds 2023
	Note	£	£	£	£
Income and endowments from:					
Donations and legacies	2	157,470	171,971	329,441	375,354
Other trading activities	3	22,860	-	22,860	31,059
Investments	4	16,310	-	16,310	3,530
Total income and endowments		<u>196,640</u>	<u>171,971</u>	<u>368,611</u>	<u>409,943</u>
Expenditure on:					
Raising funds		7,367	-	7,367	10,319
Charitable activities		133,017	116,290	249,307	262,162
Total expenditure		<u>140,384</u>	<u>116,290</u>	<u>256,674</u>	<u>272,481</u>
Net income before transfers		56,256	55,681	111,937	137,462
Transfers					
Transfers between funds		<u>(9,171)</u>	<u>9,171</u>	<u>-</u>	<u>-</u>
Net movements in funds		47,085	64,852	111,937	137,462
Reconciliation of funds					
Total funds brought forward		960,507	67,605	1,028,112	890,650
Total funds carried forward		<u>1,007,592</u>	<u>132,457</u>	<u>1,140,049</u>	<u>1,028,112</u>

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 12 to 24 form an integral part of these financial statements.

Community Action Nepal
Company registration number: 3477884
Balance Sheet as at 31 March 2024

		2024	2023
	Note	£	£
Fixed assets			
Tangible assets	10	2,122	1,448
Current assets			
Stocks and work in progress		4,730	3,484
Debtors	11	35,191	88,598
Cash at bank and in hand		1,106,808	937,882
		<u>1,146,729</u>	<u>1,029,964</u>
Creditors: Amounts falling due within one year	12	<u>(8,802)</u>	<u>(3,300)</u>
Net current assets		<u>1,137,927</u>	<u>1,026,664</u>
Net assets		<u><u>1,140,049</u></u>	<u><u>1,028,112</u></u>
The funds of the charity:			
Restricted funds		132,457	67,605
Unrestricted funds			
Unrestricted income funds		<u>1,007,592</u>	<u>960,507</u>
Total charity funds		<u><u>1,140,049</u></u>	<u><u>1,028,112</u></u>

For the financial year ended 31 March 2024, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 20 September 2024 and signed on its behalf by:


G D Utting
Trustee

The notes on pages 12 to 24 form an integral part of these financial statements.

Community Action Nepal
Cash Flow Statement for the Year Ended 31 March 2024

	2024	2023
	£	£
Net cash provided by (used by) operating activities		
Net income for the period	111,937	137,462
Depreciation charges	810	436
(Increase)/decrease in stocks	(1,246)	2,250
Decrease/(increase) in debtors	53,407	(2,239)
Increase/(decrease) in creditors	5,502	(1,530)
	<u>170,410</u>	<u>136,379</u>
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(1,484)	-
	<u>(1,484)</u>	<u>-</u>
Increase in cash	<u><u>168,926</u></u>	<u><u>136,379</u></u>

The notes on pages 12 to 24 form an integral part of these financial statements.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

The charitable company 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 notes.

Going concern

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 16.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2024

..... continued

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other 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.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Income derived from the sale of goods and from events is recognised as earned, that is as the related goods or services are provided.

Investment income is recognised on a receivable basis.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds are the costs associated with attracting donations and legacies.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Amounts paid to Nepal are payments generally made to the charity's own registered Non Governmental Organisation and International Non Governmental Organisation in Kathmandu, Nepal, in the furtherance of the charitable objectives. These amounts are recognised in the Statement of Financial Activities on their date of payment.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs are the general overheads of the company and are accounted for on an accruals basis.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2024

..... continued

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures, fittings and equipment	33% straight line basis and 15% reducing balance basis
----------------------------------	--

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2024

..... continued

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2024

..... continued

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Donations and legacies				
General donations	106,943	102,109	209,052	177,742
Simon & Lou Brown Foundation	-	12,499	12,499	12,500
Gift Aid tax reclaimed	17,027	18,350	35,377	26,312
	<u>123,970</u>	<u>132,958</u>	<u>256,928</u>	<u>216,554</u>
Grants				
El Rio Foundation	12,000	-	12,000	12,000
Sandoz Family / De Meuron Foundation	-	-	-	12,500
Nepalese Children's Medical Trust	-	-	-	10,000
Reach Out for Nepal	6,500	-	6,500	5,000
The Watson Trust	-	-	-	100,000
Other grants	10,000	21,800	31,800	19,300
Randal Charitable Foundation	-	12,213	12,213	-
The Evan Cornish Foundation	-	5,000	5,000	-
Clephane Hume Charitable Trust	5,000	-	5,000	-
	<u>33,500</u>	<u>39,013</u>	<u>72,513</u>	<u>158,800</u>
	<u>157,470</u>	<u>171,971</u>	<u>329,441</u>	<u>375,354</u>

Of the donations and legacies income in 2023, £295,634 related to unrestricted funds and £79,720 related to restricted funds.

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Sales of purchased goods	6,919	-	6,919	10,317
Events income	15,941	-	15,941	20,742
	<u>22,860</u>	<u>-</u>	<u>22,860</u>	<u>31,059</u>

All of the fundraising activities income in 2023 related to unrestricted funds.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2024

..... continued

4 Investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £	Total Funds 2023 £
Interest on cash deposits	16,310	-	16,310	3,530

All of the investment income in 2023 related to unrestricted funds.

5 Expenditure

	Fundraising £	Charitable activities £	Total 2024 £	Total 2023 £
Direct costs				
Amounts paid to Nepal for use in projects	-	107,322	107,322	152,530
Helicopters, hotels and other travel expenses to visit projects in Nepal	-	12,362	12,362	15,061
Event costs	4,318	-	4,318	7,564
Purchases of goods for resale	3,049	-	3,049	2,755
	<u>7,367</u>	<u>119,684</u>	<u>127,051</u>	<u>177,910</u>
Support costs				
Wages and salaries	-	88,660	88,660	63,186
Staff NIC (Employers)	-	3,510	3,510	1,534
Staff pensions	-	2,011	2,011	1,267
Fees for self employed labour	-	760	760	-
Staff training	-	1,095	1,095	-
Staff travel costs	-	6,363	6,363	4,299
Light, heat and power	-	1,064	1,064	1,596
Insurance	-	959	959	991
Telephone and fax	-	868	868	946
Website and IT costs	-	3,265	3,265	2,941
Printing, postage and stationery	-	8,677	8,677	5,275
Sundry expenses	-	3,652	3,652	1,416
Trustee meetings	-	651	651	197
Travel and subsistence to lectures and events	-	1,009	1,009	1,052
Advertising	-	-	-	546
Accountancy fees	-	5,638	5,638	8,240
Independent examiner's fee	-	425	425	400
Bank charges	-	206	206	249
Depreciation of fixtures, fittings and equipment	-	810	810	436
	<u>-</u>	<u>129,623</u>	<u>129,623</u>	<u>94,571</u>
	<u>7,367</u>	<u>249,307</u>	<u>256,674</u>	<u>272,481</u>

Of the expenditure in 2023, £195,411 related to unrestricted funds and £77,070 related to restricted funds.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2024

..... continued

6 Trustees' remuneration and expenses

No remuneration was paid to any of the Trustees during the year in respect of duties performed in their roles as Trustees.

None of the trustees received any monies to cover travel expenses during the year.

7 Net income

Net income is stated after charging:

	2024 £	2023 £
Depreciation of tangible fixed assets	810	436
Accountancy fees	5,638	8,240
Independent examiner's fee	425	400

8 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2024 No.	2023 No.
Charitable activities	3	2

The aggregate payroll costs of these persons were as follows:

	2024 £	2023 £
Wages and salaries	88,660	63,186
Social security	3,510	1,534
Other pension costs	2,011	1,267
	94,181	65,987

No employee received emoluments of more than £60,000 during the year.

9 Taxation

The company is a registered charity and is therefore exempt from taxation on income and gains.

Community Action Nepal
Notes to the Financial Statements for the Year Ended 31 March 2024

..... continued

10 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
As at 1 April 2023	21,210
Additions	1,484
As at 31 March 2024	<u>22,694</u>
Depreciation	
As at 1 April 2023	19,762
Charge for the year	810
As at 31 March 2024	<u>20,572</u>
Net book value	
As at 31 March 2024	<u>2,122</u>
As at 31 March 2023	<u>1,448</u>

11 Debtors

	2024 £	2023 £
Other debtors including gift aid tax	34,296	88,205
Prepayments and accrued income	895	393
	<u>35,191</u>	<u>88,598</u>

12 Creditors: Amounts falling due within one year

	2024 £	2023 £
Other creditors	49	31
Accruals and deferred income	8,753	3,269
	<u>8,802</u>	<u>3,300</u>

Creditors amounts falling due within one year includes deferred income:

	2024 £	2023 £
Amount deferred in the year	5,000	-
As at 31 March 2024	<u>5,000</u>	<u>-</u>

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2024

..... continued

13 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

14 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £2,011 (2023 - £1,267).

Contributions totalling £49 (2023 - £31) were payable to the scheme at the end of the period and are included in creditors.

15 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

During the year one of the charity's patrons, P B Scott, allowed the Charity to use her home as its office and store place. The Charity contributed £1,064 and £680 towards office heat and light costs and telephone costs respectively (2023 : £1,596 and £946). Commissions of £nil were also payable by the Charity to P B Scott for the sale of goods during the year (2023 : £246). At 31 March 2024 Community Action Nepal owed P B Scott £nil (2023 : £nil).

P B Scott, is the director of Community Action Treks Limited. Throughout the year a balance existed between the Charity and Community Action Treks Limited due to Community Action Treks Limited receiving donations which should have been paid to the Charity and the Charity settling invoices on behalf of Community Action Treks Limited. At 31 March 2024 Community Action Treks Limited owed the Charity £4,215 (2023 : £4,215).

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2024

..... continued

16 Analysis of funds

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Designated Funds					
Social Welfare Council agreement costs up to 2025	547,450	-	-	(321,721)	225,729
Disaster / emergency fund	100,000	-	-	-	100,000
Potential new projects	47,599	-	-	-	47,599
Social Welfare Council agreement costs for 2025 to 2029	-	-	-	403,016	403,016
	<u>695,049</u>	<u>-</u>	<u>-</u>	<u>81,295</u>	<u>776,344</u>
General Funds					
Unrestricted income fund	<u>265,458</u>	<u>196,640</u>	<u>(140,384)</u>	<u>(90,466)</u>	<u>231,248</u>
Restricted Funds					
Sherpa museum	25,155	25,000	-	-	50,155
North Gorkha health posts	22,500	29,513	(42,013)	-	10,000
Prok health post	-	27,500	(12,500)	-	15,000
Samagaun health post	7,500	7,500	(7,500)	-	7,500
Kashigaun school	-	4,920	(12,810)	8,090	200
Chumling health post	-	12,499	(6,250)	-	6,249
Tsum Nubri health post	11,190	-	(11,190)	-	-
Nile health post	-	3,000	(3,000)	-	-
Manakamana Deaf School	760	-	(1,841)	1,081	-
Livelihoods and agriculture	500	6,500	(2,910)	-	4,090
Education	-	8,000	(5,487)	-	2,513
Tsum Nubri blood testing machine	-	500	-	-	500
Lihi health post	-	31,250	-	-	31,250
Health project for children aged 0 to 14	-	10,000	(10,000)	-	-
Philim health post maternity refurbishment	-	5,000	-	-	5,000
Independent Living Centre Kathmandu	-	789	(789)	-	-
	<u>67,605</u>	<u>171,971</u>	<u>(116,290)</u>	<u>9,171</u>	<u>132,457</u>
	<u>1,028,112</u>	<u>368,611</u>	<u>(256,674)</u>	<u>-</u>	<u>1,140,049</u>

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2024

..... continued

Prior period

	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Designated Funds					
Social Welfare Council agreement costs up to 2025	503,659	-	-	43,791	547,450
Disaster / emergency fund	100,000	-	-	-	100,000
Potential new projects	45,471	-	-	2,128	47,599
	<u>649,130</u>	<u>-</u>	<u>-</u>	<u>45,919</u>	<u>695,049</u>
General Funds					
		-			
Unrestricted income fund	<u>176,565</u>	<u>330,223</u>	<u>(195,411)</u>	<u>(45,919)</u>	<u>265,458</u>
Restricted Funds					
Sherpa museum	25,155	-	-	-	25,155
North Gorkha health posts	-	30,000	(7,500)	-	22,500
Samagaun health post	6,000	7,500	(6,000)	-	7,500
Kashigaun school	-	480	(480)	-	-
CAFOD	10,000	-	(10,000)	-	-
Prok school	15,500	-	(15,500)	-	-
Chumling health post	6,500	12,500	(19,000)	-	-
Tsum Nubri health post	-	19,190	(8,000)	-	11,190
Ripchet clinic	1,800	-	(1,800)	-	-
Manakamana Deaf School	-	3,750	(2,990)	-	760
Livelihoods and agriculture	-	500	-	-	500
Arughat region support	-	800	(800)	-	-
Education	-	5,000	(5,000)	-	-
	<u>64,955</u>	<u>79,720</u>	<u>(77,070)</u>	<u>-</u>	<u>67,605</u>
	<u>890,650</u>	<u>409,943</u>	<u>(272,481)</u>	<u>-</u>	<u>1,028,112</u>

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2024

..... continued

The designated funds were created for the following purposes:

Designated fund	Purpose
Social Welfare Council agreement costs up to 2025	To cover the costs of the charity's Social Welfare Council agreement (the charity's contract with the Nepal Government) until 2025
Disaster / emergency fund	To provide circa two months of emergency cover in the event of an earthquake, flood or famine
Potential new projects	Funds to pump prime potential new projects (this is the average cost of a new construction project)
Social Welfare Council agreement costs for 2025 to 2029	To cover the costs of the charity's Social Welfare Council agreement (the charity's contract with the Nepal Government) for the years of 2025 to 2029

The restricted funds were created for the following projects:

Restricted fund	Project
Sherpa museum	To build a Sherpa heritage home museum and photographic gallery
North Gorkha health posts	To support health posts and provide healthcare in North Gorkha
Prok health post	To fund the running costs of Prok health post
Samagaun health post	To build and fund the running costs of Samagaun health post
Kashigaun school	Umbrella project administered by CAN to build and fund the running costs of a school at Kashigaun
CAFOD	Funding from CAFOD to respond to the food security consequences of Covid-19 in North Gorkha
Prok school	To build a primary school in Prok
Chumling health post	To build and fund the running costs of Chumling health post
Tsum Nubri health post	To assist with the running costs of the health post at Tsum Nubri
Ripchet clinic	To build an outreach clinic at Ripchet and provide it with nurses
Nile health post	To assist with the running costs of the health post at Nile
Manakamana Deaf School	To help fund a teacher's salary for one year
Livelihoods and agriculture	To assist with the funding of general livelihoods and agriculture programmes
Arughat region support	For general assistance within the Arughat region
Education	To assist with the funding of general education programmes
Tsum Nubri blood testing machine	To fund the purchase of a blood testing machine for Tsum Nubri health post
Lihi health post	To rebuild Lihi health post
Health project for children aged 0 to 14	To provide healthcare and schooling for children aged from 0 to 14
Philim health post maternity refurbishment	To refurbishment the maternity provisions at Philim health post
Independent Living Centre Kathmandu	Independent fund administered by CAN to support the Independent Living Centre in Kathmandu

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2024

..... continued

17 Transfers

During the previous year transfers were made from the general fund to one restricted fund (see note 16). The monies transferred are the charity's contribution towards the restricted fund project and meets the shortfall in restricted funding.

Transfers are also made between general funds and designated funds in order to reflect changes in the value of designated funds that the trustees decide need to be held at each year end.

18 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2024	Total Funds 2023
	£	£	£	£
Tangible assets	2,122	-	2,122	1,448
Current assets	1,014,272	132,457	1,146,729	1,029,964
Creditors: Amounts falling due within one year	(8,802)	-	(8,802)	(3,300)
Net assets	<u>1,007,592</u>	<u>132,457</u>	<u>1,140,049</u>	<u>1,028,112</u>

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Tangible assets	1,448	-	1,448	1,884
Current assets	962,359	67,605	1,029,964	893,596
Creditors: Amounts falling due within one year	(3,300)	-	(3,300)	(4,830)
Net assets	<u>960,507</u>	<u>67,605</u>	<u>1,028,112</u>	<u>890,650</u>

Accounts

Community Action Nepal

(A company limited by guarantee)

Annual Report and Financial Statements

31 March 2023

Company registration number: 3477884

Charity registration number: 1067772



Community Action Nepal

Contents

Reference and Administrative Details	1
Trustees' report	3
Trustees' responsibilities in relation to the financial statements	7
Independent examiner's report	8
Statement of financial activities	9
Balance sheet	10
Cash flow statement	11
Notes to the financial statements	12

Community Action Nepal
Reference and Administrative Details

Charity name	Community Action Nepal	
Charity registration number	1067772	
Company registration number	3477884	
Principal office	Stewart Hill Cottage Hesket Newmarket WIGTON CA7 8HX	
Registered office	FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW	
Trustees	J Frew	(resigned 10 March 2023)
	Dr R E Lorge	(resigned 7 July 2022)
	P Braithwaite	
	L Houlding	(resigned 13 April 2022)
	D B Webber	(resigned 27 June 2022)
	P R Powell	
	Dr C A Souch	
	Dr R A Welford	
	Dr R A Parkin	
	M L Lewis	(resigned 27 June 2022)
	G D Utting	
	P B Pearson	
	A W Fotherby	(appointed 8 July 2022)
	R Scott-Ward	(appointed 8 July 2022)
	S R Umpleby	(appointed 12 December 2022)

Community Action Nepal
Reference and Administrative Details

Patrons	Sir C J S Bonington CBE
	P B Scott
	L Houlding
Bankers	Cumberland Building Society
	38 Fisher Street
	CARLISLE
	CA3 8RQ
Accountant	Dodd & Co Limited
	FIFTEEN Rosehill
	Montgomery Way
	Rosehill Estate
	CARLISLE
	CA1 2RW

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2023

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Company for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

REFERENCE AND ADMINISTRATIVE DETAILS

The trustees who served during the year and who have been appointed since the year end are detailed on page one.

The trustees are appointed by the Council of Trustees in accordance with the Charity's Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is incorporated as a Company Limited by Guarantee and the governing document takes the form of the company's Memorandum and Articles of Association.

CAN's main focus has been on its original core purpose of continuing to deliver aid and support to the communities of the rural inaccessible areas of the Nepalese Himalayas. The Trustees remain in frequent telephone and email contact with the Operations Director Nepal.

At the Annual General Meeting a Secretary, Treasurer and Chair of the Charity are nominated, seconded and appointed. Due to distance, it is not always possible for every member to attend each meeting and the Charity makes increasing use of web-based calls and conference calls. The work of CAN and its finances are always available for inspection. Minutes of the meetings are circulated to all Trustees and relevant information conveyed as appropriate to members of the Management Committee in Nepal and to the Operations Director Nepal.

New trustees are inducted into their role by existing trustees who explain the charity's objectives and activities and pass on their detailed knowledge of the charity's projects and its finances. Trustees are directed towards guidance issued by the Charity Commission and Companies House as to the legal responsibilities they have as trustees and directors and are encouraged to seek any opportunities to continually develop their skills and knowledge.

RISK ASSESSMENT

The Trustees agree and are made aware of their duty to consider the risks that the Charity faces. Reserves accumulated both in the UK bank accounts and in the Kathmandu accounts are maintained at a level to ensure cash reserves are available to support the project work and payment of staff employed to maintain the work. The UK holds funds in a current account and an interest-bearing reserve account. Funds are sent quarterly to the Kathmandu office on receipt of detailed information about funds needed for the following quarter. Trustees are aware that the Charity does not over extend spending in relation to the number of projects maintained. The weakening of the GBP following Brexit has been a major consideration. CAN in Nepal is in close liaison with the Social Welfare Council [SWC] in Nepal about their future requirements and stipulations that were fully implemented by 1 January 2020. Since January 2020, CAN has handed over more of the dispersed project areas and, in compliance with SWC requirements for the next five year period from 10 June 2020 to 9 June 2025, CAN is concentrating on the less accessible region of Nubri and Tsum Valley, North Gorkha.

To reduce the risks attached to the use in Nepal of monies raised in the UK, the Charity is registered as an NGO and INGO in Nepal. The UK Trustees are satisfied that CAN has staff and procedures in place to ensure monies are strictly accounted for and are spent as detailed in the quarterly request information. These also comply with the strict and robust accounting procedures of organisations associated with funding part of CAN's work.

As previously, the Trustees are aware that effective financial control is essential both in the UK and in Nepal. Fundraising continues to be a high priority together with on-going awareness of the economic situations in both the UK and in Nepal.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2023

OBJECTIVES AND ACTIVITIES

The Charity was set up in 1997 to provide relief of poverty, sickness and distress amongst the people of Nepal in the project areas in compliance with the stipulations of the Social Welfare Council [SWC] of Nepal, as set out in the Memorandum of Association. The activities, projects and services covered comprise support for health, education, agriculture and livelihoods and the relief of poverty and distress in the SWC nominated and agreed areas.

In setting the Charity's objectives, the Trustees have paid due regard to Charity Commission guidance on public benefit.

The main objective of the Charity during the period under review was providing access to basic health in rural locations. Alongside this CAN has provided education and training to improve agricultural diversity which has a tangible benefit to both health and livelihoods. Both the UK and Nepal Operations Directors maintain close contact with the SWC. CAN is fortunate to have benefited from generous funding, professional advice, and experience from visiting volunteers, as well as from visits to project sites from self-funding members of the Trustee group and the Charity's founder, the late Doug Scott CBE.

The Charity is grateful for and acknowledges the generous contributions made by volunteers who raise funds in the UK and overseas to support the activities as detailed in the accounts and by volunteers who completely self-fund agreed visits to the projects in Nepal and report back to the Trustees.

ACHIEVEMENTS AND PERFORMANCE

During the year under review the donations received by the Charity and regular standing order payments have enabled the Charity to support the running of 11 rural health posts and the construction of 1 new health post. The charity has also supported 5 schools including the construction of 1 new school and funded agriculture training and numerous livelihood projects. Expenditure continues in the furtherance of the Charity's objectives and activities.

Trustees review the levels of reserves in the UK and in Nepal, the on-going repair and maintenance costs, staff costs, exchange rates and future financial requirements needed to ensure the Charity can fulfil commitments.

The Trustees are therefore satisfied that the Charity remains on a secure financial footing and that policies are maintained during the fluctuating and variable economic conditions. They are particularly grateful for the remarkable support received from donors worldwide who continue to help CAN to meet the current additional funding requirements.

FINANCIAL REVIEW

CAN's principal funding sources are the regular standing order donations and large grants from national and international charities and individual donors. Donations given for a nominated project or purpose are recorded as "restricted" as appropriate. The quarterly bank transfers to the Kathmandu bank account enable the continuity of the Charity's objectives in Nepal in accordance with UK Trustees' decisions, as recorded in the Minutes of the Meetings. UK Trustees regularly seek advice from the Kathmandu based Operations Director and the Management Committee that represents the communities within the project areas.

The SWC in Nepal scrutinises CAN's work for periods of five years. Their endorsement entitles CAN to apply to the Government of Nepal for grants towards existing and future project work. This agreement with the SWC has been renewed from June 2020 to June 2025.

RESERVES

The Board of Trustees has established a reserves policy which appropriately reflects the risks to which the Charity is exposed and its obligations. In compliance with such policy, it will review regularly both the sum it wishes to hold in unrestricted reserves and the basis for that figure. The reserves policy considers ongoing fixed costs, excludes variable costs, and does not consider expenditure which is linked to restricted projects and therefore covered by restricted funds. The Board has established a policy for unrestricted funds not committed or expended on core activities, which equates to approximately £310,000. At this level, the Trustees feel that they would be able to continue the current core activities of the Charity in the event of a significant drop in funding for six months. This period would allow the Trustees to consider how the funding would be replaced or the activities changed.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2023

The total funds at 31 March 2023 amounted to £1,028,112 (2022 : £890,650) of which £67,605 (2022 : £64,955) was restricted by the donors in their future use and £695,049 (2022 : £649,130) has been designated by the Trustees for specific purposes. This leaves a balance of free reserves of £264,010 (2022 : £174,681). The Trustees will continue with their efforts to maintain the level of unrestricted funds at a minimum of six months core activity expenditure.

The majority of reserves are held as cash.

Designated funds which total £695,049 are comprised of:

£547,450 designated to cover the costs of the charity's Social Welfare Council agreement (the charity's contract with the Nepal Government) until 2025 (2022 : £503,659);

£100,000 designated for a disaster/emergency fund (this can provide circa two months emergency cover in the event of an earthquake, flood or famine) (2022 : £100,000);

£47,599 designated for the pump priming of potential new projects (this is the average cost of a new construction project) (2022 : £45,471).

PLANS FOR FUTURE PERIODS

The aims and objectives for the future are the maintenance and continuity of health, education, agriculture, livelihood and community development programmes. Careful evaluation of the future project areas will be carried out and focus as stipulated by, and agreed with, the SWC.

CAN has agreed to build two more rural health facilities in North Gorkha at Nyak and Bhangsing. The rebuilding works on completed sites and future sites were, and will continue to be, regularly inspected by qualified Nepal staff who have received training in the planning and rebuilding methods recognised in the "Build Back Better" programme, with some CAN Nepal staff receiving additional training in the UK.

PUBLIC BENEFIT REPORTING

The Charity delivers health, education and community development benefits to dispersed, diverse and remote village communities in Nepal. The work continues to support cultural heritage, diversification and long-term viability.

The Charity's trustees and employees do not receive any undisclosed benefits.

The project work is carried out in the geographical locations agreed with the SWC in Nepal and for the general community regardless of age, gender, economic circumstance, religion or caste.

The Charity's trustees are aware of the above requirements and the Charity Commission's Public Benefit guidance and have previously, and will in the future, continue to follow these guidelines.

FUNDS HELD AS CUSTODIAN TRUSTEE

For part of the year the Charity held funds on behalf of other small charities not registered with the Charity Commission of England and Wales as follows:

Kashigaun

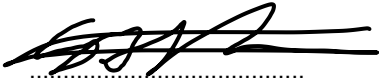
The above small charity raises funds in the UK but operates small projects in Nepal. From time to time, it deposits funds into the Community Action Nepal UK bank account and asks for agreed sums to be transferred to their accounts in Kathmandu. In addition, it asks for advice from both the UK and Kathmandu offices of Community Action Nepal concerning its activities. The sums held on its behalf are recorded as restricted for that small charity.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2023

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 22 September 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'G D Utting', written over a dotted line.

G D Utting
Trustee

Community Action Nepal

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Community Action Nepal for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these 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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner's Report to the Trustees of Community Action Nepal

I report on the accounts of the company for the year ended 31 March 2023, which are set out on pages 9 to 24.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales (ICAEW).

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

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

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Joanne Thomlinson FCA
Dodd & Co Limited
Chartered Accountants

22 September 2023

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Community Action Nepal

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 March 2023

		Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	Note	£	£	£	£
Income and endowments from:					
Donations and legacies	2	295,634	79,720	375,354	418,952
Other trading activities	3	31,059	-	31,059	27,054
Investments	4	3,530	-	3,530	1,116
Total income and endowments		<u>330,223</u>	<u>79,720</u>	<u>409,943</u>	<u>447,122</u>
Expenditure on:					
Raising funds		10,319	-	10,319	12,466
Charitable activities		185,092	77,070	262,162	287,814
Total expenditure		<u>195,411</u>	<u>77,070</u>	<u>272,481</u>	<u>300,280</u>
Net income before transfers		134,812	2,650	137,462	146,842
Transfers					
Transfers between funds		-	-	-	-
Net movements in funds		134,812	2,650	137,462	146,842
Reconciliation of funds					
Total funds brought forward		825,695	64,955	890,650	743,808
Total funds carried forward		<u>960,507</u>	<u>67,605</u>	<u>1,028,112</u>	<u>890,650</u>

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 12 to 24 form an integral part of these financial statements.

Community Action Nepal
Company registration number: 3477884
Balance Sheet as at 31 March 2023

		2023	2022
	Note	£	£
Fixed assets			
Tangible assets	10	1,448	1,884
Current assets			
Stocks and work in progress		3,484	5,734
Debtors	11	88,598	86,359
Cash at bank and in hand		937,882	801,503
		<u>1,029,964</u>	<u>893,596</u>
Creditors: Amounts falling due within one year	12	<u>(3,300)</u>	<u>(4,830)</u>
Net current assets		<u>1,026,664</u>	<u>888,766</u>
Net assets		<u><u>1,028,112</u></u>	<u><u>890,650</u></u>
The funds of the charity:			
Restricted funds		67,605	64,955
Unrestricted funds			
Unrestricted income funds		<u>960,507</u>	<u>825,695</u>
Total charity funds		<u><u>1,028,112</u></u>	<u><u>890,650</u></u>

For the financial year ended 31 March 2023, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 22 September 2023 and signed on its behalf by:



G D Utting
Trustee

The notes on pages 12 to 24 form an integral part of these financial statements.

Community Action Nepal
Cash Flow Statement for the Year Ended 31 March 2023

	2023	2022
	£	£
Net cash provided by (used by) operating activities		
Net income for the period	137,462	146,842
Depreciation charges	436	321
Decrease/(increase) in stocks	2,250	(2,684)
Increase in debtors	(2,239)	(26,619)
(Decrease)/increase in creditors	(1,530)	1,125
	<u>136,379</u>	<u>118,985</u>
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	-	(834)
	<u>-</u>	<u>(834)</u>
Increase in cash	<u><u>136,379</u></u>	<u><u>118,151</u></u>

The notes on pages 12 to 24 form an integral part of these financial statements.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2023

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

The charitable company 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 notes.

Going concern

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 16.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2023

..... continued

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other 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.

Income from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Income derived from the sale of goods and from events is recognised as earned, that is as the related goods or services are provided.

Investment income is recognised on a receivable basis.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds are the costs associated with attracting donations and legacies.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Amounts paid to Nepal are payments generally made to the charity's own registered Non Governmental Organisation and International Non Governmental Organisation in Kathmandu, Nepal, in the furtherance of the charitable objectives. These amounts are recognised in the Statement of Financial Activities on their date of payment.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs are the general overheads of the company and are accounted for on an accruals basis.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2023

..... continued

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures, fittings and equipment	33% straight line basis and 15% reducing balance basis
----------------------------------	--

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2023

..... continued

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2023

..... continued

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Donations and legacies				
General donations	149,310	28,432	177,742	263,131
Simon & Lou Brown Foundation	-	12,500	12,500	12,500
Gift Aid tax reclaimed	21,824	4,488	26,312	26,297
	<u>171,134</u>	<u>45,420</u>	<u>216,554</u>	<u>301,928</u>
Grants				
Frank Davies Family Trust	12,000	-	12,000	12,000
Sandoz Family / De Meuron Foundation	12,500	-	12,500	12,500
International Porter Protection Group	-	-	-	5,000
Porters Progress UK	-	-	-	524
Nepalese Children's Medical Trust	-	10,000	10,000	10,000
Reach Out for Nepal	-	5,000	5,000	8,700
CAFOD	-	-	-	20,000
Coles-Medlock Foundation	-	-	-	10,000
The Watson Trust	100,000	-	100,000	15,000
Other grants	-	19,300	19,300	23,300
	<u>124,500</u>	<u>34,300</u>	<u>158,800</u>	<u>117,024</u>
	<u>295,634</u>	<u>79,720</u>	<u>375,354</u>	<u>418,952</u>

Of the donations and legacies income in 2022, £278,750 related to unrestricted funds and £140,202 related to restricted funds.

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Sales of purchased goods	10,317	-	10,317	17,626
Events income	20,742	-	20,742	9,428
	<u>31,059</u>	<u>-</u>	<u>31,059</u>	<u>27,054</u>

All of the fundraising activities income in 2022 related to unrestricted funds.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2023

..... continued

4 Investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £	Total Funds 2022 £
Interest on cash deposits	3,530	-	3,530	1,116

All of the investment income in 2022 related to unrestricted funds.

5 Expenditure

	Fundraising £	Charitable activities £	Total 2023 £	Total 2022 £
Direct costs				
Amounts paid to Nepal for use in projects	-	152,530	152,530	215,771
Helicopters, hotels and other travel expenses to visit projects in Nepal	-	15,061	15,061	-
Event costs	7,564	-	7,564	5,148
Purchases of goods for resale	2,755	-	2,755	7,318
	<u>10,319</u>	<u>167,591</u>	<u>177,910</u>	<u>228,237</u>
Support costs				
Wages and salaries	-	64,720	64,720	46,059
Staff pensions	-	1,267	1,267	839
Fees for self employed labour	-	-	-	750
Staff training	-	-	-	746
Staff travel costs	-	4,299	4,299	-
Light, heat and power	-	1,596	1,596	532
Insurance	-	991	991	403
Telephone and fax	-	946	946	754
Website and IT costs	-	2,941	2,941	6,278
Printing, postage and stationery	-	5,275	5,275	5,644
Sundry expenses	-	1,416	1,416	1,296
Trustee meetings	-	197	197	155
Travel and subsistence to lectures and events	-	1,052	1,052	759
Advertising	-	546	546	1,309
Accountancy fees	-	8,240	8,240	5,671
Independent examiner's fee	-	400	400	300
Bank charges	-	249	249	227
Depreciation of fixtures, fittings and equipment	-	436	436	321
	<u>-</u>	<u>94,571</u>	<u>94,571</u>	<u>72,043</u>
	<u>10,319</u>	<u>262,162</u>	<u>272,481</u>	<u>300,280</u>

Of the expenditure in 2022, £129,529 related to unrestricted funds and £170,751 related to restricted funds.

Community Action Nepal
Notes to the Financial Statements for the Year Ended 31 March 2023

..... continued

6 Trustees' remuneration and expenses

No remuneration was paid to any of the Trustees during the year in respect of duties performed in their roles as Trustees.

None of the trustees received any monies to cover travel expenses during the year.

7 Net income

Net income is stated after charging:

	2023	2022
	£	£
Depreciation of tangible fixed assets	436	321
Accountancy fees	8,240	5,671
Independent examiner's fee	400	300
	<u> </u>	<u> </u>

8 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2023	2022
	No.	No.
Charitable activities	<u> 2 </u>	<u> 2 </u>

The aggregate payroll costs of these persons were as follows:

	2023	2022
	£	£
Wages and salaries	64,720	46,059
Other pension costs	1,267	839
	<u>65,987</u>	<u>46,898</u>

No employee received emoluments of more than £60,000 during the year.

9 Taxation

The company is a registered charity and is therefore exempt from taxation on income and gains.

Community Action Nepal
Notes to the Financial Statements for the Year Ended 31 March 2023

..... continued

10 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
As at 1 April 2022 and 31 March 2023	21,210
Depreciation	
As at 1 April 2022	19,326
Charge for the year	436
As at 31 March 2023	19,762
Net book value	
As at 31 March 2023	1,448
As at 31 March 2022	1,884

11 Debtors

	2023 £	2022 £
Other debtors including gift aid tax	88,205	86,037
Prepayments and accrued income	393	322
	<u>88,598</u>	<u>86,359</u>

12 Creditors: Amounts falling due within one year

	2023 £	2022 £
Other creditors	31	31
Accruals and deferred income	3,269	4,799
	<u>3,300</u>	<u>4,830</u>

13 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2023

..... continued

14 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £1,267 (2022 - £839).

Contributions totalling £31 (2022 - £31) were payable to the scheme at the end of the period and are included in creditors.

15 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

During the year one of the charity's patrons, P B Scott, allowed the Charity to use her home as its office and store place. The Charity contributed £1,596 and £946 towards office heat and light costs and telephone costs respectively (2022 : £532 and £213). Commissions of £246 were also payable by the Charity to P B Scott for the sale of goods during the year (2022 : £1,799). At 31 March 2023 Community Action Nepal owed P B Scott £nil (2022 : £1,799).

P B Scott, is the director of Community Action Treks Limited. Throughout the year a balance existed between the Charity and Community Action Treks Limited due to Community Action Treks Limited receiving donations which should have been paid to the Charity and the Charity settling invoices on behalf of Community Action Treks Limited. At 31 March 2023 Community Action Treks Limited owed the Charity £4,215 (2022 : £4,215).

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2023

..... continued

16 Analysis of funds

	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Designated Funds					
Social Welfare Council agreement costs	503,659	-	-	43,791	547,450
Disaster / emergency fund	100,000	-	-	-	100,000
Potential new projects	45,471	-	-	2,128	47,599
	<u>649,130</u>	<u>-</u>	<u>-</u>	<u>45,919</u>	<u>695,049</u>
General Funds					
Unrestricted income fund	<u>176,565</u>	<u>330,223</u>	<u>(195,411)</u>	<u>(45,919)</u>	<u>265,458</u>
Restricted Funds					
Sherpa museum	25,155	-	-	-	25,155
North Gorkha health posts	-	30,000	(7,500)	-	22,500
Samagaun health post	6,000	7,500	(6,000)	-	7,500
Kashigaun school	-	480	(480)	-	-
CAFOD	10,000	-	(10,000)	-	-
Prok school	15,500	-	(15,500)	-	-
Chumling health post	6,500	12,500	(19,000)	-	-
Tsum Nubri health post	-	19,190	(8,000)	-	11,190
Ripchet clinic	1,800	-	(1,800)	-	-
Manakamana Deaf School	-	3,750	(2,990)	-	760
Livelihoods and agriculture	-	500	-	-	500
Arughat region support	-	800	(800)	-	-
Education	-	5,000	(5,000)	-	-
	<u>64,955</u>	<u>79,720</u>	<u>(77,070)</u>	<u>-</u>	<u>67,605</u>
	<u>890,650</u>	<u>409,943</u>	<u>(272,481)</u>	<u>-</u>	<u>1,028,112</u>

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2023

..... continued

Prior period

	At 1 April 2021	Incoming resources	Resources expended	Transfers	At 31 March 2022
	£	£	£	£	£
Designated Funds					
Social Welfare Council agreement costs	-	-	-	503,659	503,659
Disaster / emergency fund	-	-	-	100,000	100,000
Potential new projects	-	-	-	45,471	45,471
	<u>-</u>	<u>-</u>	<u>-</u>	<u>649,130</u>	<u>649,130</u>
General Funds		-			
Unrestricted income fund	<u>649,554</u>	<u>306,920</u>	<u>(129,529)</u>	<u>(650,380)</u>	<u>176,565</u>
Restricted Funds					
Sherpa museum	25,958	6,250	(7,053)	-	25,155
North Gorkha health posts	-	21,598	(21,598)	-	-
Samagaun health post	-	6,000	-	-	6,000
Lho and Lihi health posts	-	6,250	(6,250)	-	-
Kashigaun school	2,224	440	(2,664)	-	-
Big Lottery Community Fund	12,685	-	(12,685)	-	-
CAFOD	10,000	21,000	(21,000)	-	10,000
Prok school	23,750	21,200	(29,450)	-	15,500
Chumling health post	-	12,500	(6,000)	-	6,500
Ripchet clinic	11,784	4,800	(14,784)	-	1,800
Porter relief fund	6,603	5,524	(12,127)	-	-
Covid-19 appeal	-	24,640	(24,640)	-	-
JTA agricultural worker	1,250	-	(2,500)	1,250	-
Healthcare in Chhokang Paro	-	10,000	(10,000)	-	-
	<u>94,254</u>	<u>140,202</u>	<u>(170,751)</u>	<u>1,250</u>	<u>64,955</u>
	<u>743,808</u>	<u>447,122</u>	<u>(300,280)</u>	<u>-</u>	<u>890,650</u>

The prior period summary shown above has been amended from that shown in the Financial Statements for the year ended 31 March 2022 in order to show designated funds separately from general funds. There has been no change to the total value of funds.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2023

..... continued

The designated funds were created for the following purposes:

Designated fund	Purpose
Social Welfare Council agreement costs	To cover the costs of the charity's Social Welfare Council agreement (the charity's contract with the Nepal Government) until 2025
Disaster / emergency fund	To provide circa two months of emergency cover in the event of an earthquake, flood or famine
Potential new projects	Funds to pump prime potential new projects (this is the average cost of a new construction project)

The restricted funds were created for the following projects:

Restricted fund	Project
Sherpa museum	To build a Sherpa heritage home museum and photographic gallery
North Gorkha health posts	To support health posts and provide healthcare in North Gorkha
Samagaun health post	To build and fund the running costs of Samagaun health post
Lho and Lihi health posts	To assist with the running costs of Lho and Lihi health posts
Kashigaun school	Umbrella project administered by CAN to build and fund the running costs of a school at Kashigaun
Big Lottery Community Fund	Funding from the Big Lottery to fund post earthquake initiatives including health, model gardens, the building of demo homes and enterprise development
CAFOD	Funding from CAFOD to respond to the food security consequences of Covid-19 in North Gorkha
Prok school	To build a primary school in Prok
Chumling health post	To build and fund the running costs of Chumling health post
Tsum Nubri health post	To assist with the running costs of the health post at Tsum Nubri
Ripchet clinic	To build an outreach clinic at Ripchet and provide it with nurses
Porter relief fund	To support porters and their families during the period in which the tourist trade was closed due to Covid-19
Covid-19 appeal	To assist with the prevention, containment and treatment of Covid-19
JTA agriculture worker	To fund the salary of a JTA agriculture worker
Healthcare in Chhokang Paro	To support the delivery of essential healthcare in Chhokang Paro, North Gorkha
Manakamana Deaf School	To help fund a teacher's salary for one year
Livelihoods and agriculture	To assist with the funding of general livelihoods and agriculture programmes
Arughat region support	For general assistance within the Arughat region
Education	To assist with the funding of general education programmes

17 Transfers

During the previous year transfers were made from the general fund to one restricted fund (see note 16). The monies transferred are the charity's contribution towards the restricted fund project and meets the shortfall in restricted funding.

Transfers are also made between general funds and designated funds in order to reflect changes in the value of designated funds that the trustees decide need to be held at each year end.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2023

..... continued

18 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	£	£	£	£
Tangible assets	1,448	-	1,448	1,884
Current assets	962,359	67,605	1,029,964	893,596
Creditors: Amounts falling due within one year	(3,300)	-	(3,300)	(4,830)
Net assets	<u>960,507</u>	<u>67,605</u>	<u>1,028,112</u>	<u>890,650</u>

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Tangible assets	1,884	-	1,884	1,371
Current assets	828,641	64,955	893,596	746,142
Creditors: Amounts falling due within one year	(4,830)	-	(4,830)	(3,705)
Net assets	<u>825,695</u>	<u>64,955</u>	<u>890,650</u>	<u>743,808</u>

Accounts

Community Action Nepal

(A company limited by guarantee)

Annual Report and Financial Statements

31 March 2022

Company registration number: 3477884

Charity registration number: 1067772



Community Action Nepal

Contents

Reference and Administrative Details	1
Trustees' report	3
Trustees' responsibilities in relation to the financial statements	7
Independent examiner's report	8
Statement of financial activities	9
Balance sheet	10
Cash flow statement	11
Notes to the financial statements	12

Community Action Nepal
Reference and Administrative Details

Charity name	Community Action Nepal	
Charity registration number	1067772	
Company registration number	3477884	
Principal office	Stewart Hill Cottage Hesket Newmarket WIGTON CA7 8HX	
Registered office	FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW	
Trustees	J Frew	
	Dr R E Lorge	(resigned 7 July 2022)
	B Gyawali	(resigned 6 May 2021)
	P Braithwaite	
	L Houlding	(resigned 13 April 2022)
	Dr M L Shrestha	(resigned 24 September 2021)
	A Parkin	(resigned 24 September 2021)
	B Ayers	(resigned 1 November 2021)
	D B Webber	(resigned 27 June 2022)
	P R Powell	
	C Buchan	(resigned 14 February 2022)
	Dr C A Souch	
	Dr R A Welford	
	Dr R A Parkin	
	D E Wilson	(resigned 29 October 2021)
	M L Lewis	(appointed 6 August 2021) (resigned 27 June 2022)
	G D Utting	(appointed 24 September 2021)
	P B Pearson	(appointed 5 November 2021)
	A W Fotherby	(appointed 8 July 2022)
	R Scott-Ward	(appointed 8 July 2022)

Community Action Nepal
Reference and Administrative Details

Patrons	Sir C J S Bonington CBE
	P B Scott
	L Houlding
Bankers	Cumberland Building Society
	38 Fisher Street
	CARLISLE
	CA3 8RQ
Accountant	Dodd & Co Limited
	FIFTEEN Rosehill
	Montgomery Way
	Rosehill Estate
	CARLISLE
	CA1 2RW

Community Action Nepal

Trustees' Report for the Year Ended 31 March 2022

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Company for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

REFERENCE AND ADMINISTRATIVE DETAILS

A full financial year has passed since the death of the charity's founder, Doug Scott. In that time CAN has restructured its operational model to adapt to continuing Doug's legacy in a sustainable and effective manner.

The trustees who served during the year and who have been appointed since the year end are detailed on page one.

The trustees are appointed by the Council of Trustees in accordance with the Charity's Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is incorporated as a Company Limited by Guarantee and the governing document takes the form of the company's Memorandum and Articles of Association.

CAN's main focus has been on its original core purpose of continuing to deliver aid and support to the communities of the rural inaccessible areas of the Nepalese Himalayas. The Trustees remain in frequent telephone and email contact with the Operations Director Nepal.

At the Annual General Meeting a Secretary, Treasurer and Chairman of the Charity are nominated, seconded and appointed. Due to distance, it is not always possible for every member to attend each meeting and the Charity makes increasing use of web-based calls and conference calls. The work of CAN and its finances are always available for inspection. Minutes of the meetings are circulated to all Trustees and relevant information conveyed as appropriate to members of the Management Committee in Nepal and to the Operations Director Nepal.

New trustees are inducted into their role by existing trustees who explain the charity's objectives and activities and pass on their detailed knowledge of the charity's projects and its finances. Trustees are directed towards guidance issued by the Charity Commission and Companies House as to the legal responsibilities they have as trustees and directors and are encouraged to seek any opportunities to continually develop their skills and knowledge.

RISK ASSESSMENT

The Trustees agree and are made aware of their duty to consider the risks that the Charity faces. Reserves accumulated both in the UK bank accounts and in the Kathmandu accounts are maintained at a level to ensure cash reserves are available to support the project work and payment of staff employed to maintain the work. The UK holds funds in a current account and an interest-bearing reserve account. Funds are sent quarterly to the Kathmandu office on receipt of detailed information about funds needed for the following quarter. Trustees are aware that the Charity does not over extend spending in relation to the number of projects maintained. The weakening of the GBP following Brexit has been a major consideration. CAN in Nepal is in close liaison with the Social Welfare Council [SWC] in Nepal about their future requirements and stipulations that were fully implemented by 1 January 2020. Since January 2020, CAN has handed over more of the dispersed project areas and, in compliance with SWC requirements for the next five year period from 10 June 2020 to 9 June 2025, CAN is concentrating on the less accessible region of Nubri and Tsum Valley, North Gorkha.

To reduce the risks attached to the use in Nepal of monies raised in the UK, the Charity is registered as an NGO and INGO in Nepal. The UK Trustees are satisfied that CAN has staff and procedures in place to ensure monies are strictly accounted for and are spent as detailed in the quarterly request information. These also comply with the strict and robust accounting procedures of organisations associated with funding part of the CAN's work.

As previously, the Trustees are aware that effective financial control is essential both in the UK and in Nepal. Fundraising continues to be a high priority together with on-going awareness of the economic situations in both the UK and in Nepal.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2022

OBJECTIVES AND ACTIVITIES

The Charity was set up in 1997 to provide relief of poverty, sickness and distress amongst the people of Nepal in the project areas in compliance with the stipulations of the Social Welfare Council [SWC] of Nepal, as set out in the Memorandum of Association. The activities, projects and services covered comprise support for health, education, agriculture and livelihoods and the relief of poverty and distress in the SWC nominated and agreed areas.

In setting the Charity's objectives, the Trustees have paid due regard to Charity Commission guidance on public benefit.

The main objective of the Charity during the period under review was providing access to basic health in rural locations. Alongside this CAN has provided education and training to improve agricultural diversity which has a tangible benefit to both health and livelihoods. Both the UK and Nepal Operations Directors maintain close contact with the SWC. CAN is fortunate to have benefited from generous funding, professional advice, and experience from visiting volunteers, as well as from visits to project sites from self-funding members of the Trustee group and the Charity's founder, the late Douglas Scott CBE.

The Charity is grateful for and acknowledges the generous contributions made by volunteers who raise funds in the UK and overseas to support the activities as detailed in the accounts and by volunteers who completely self-fund agreed visits to the projects in Nepal and report back to the Trustees.

ACHIEVEMENTS AND PERFORMANCE

During the year under review the donations received by the Charity and regular standing order payments have enabled the Charity to support the running of 11 rural health posts and the construction of 2 new health posts. The charity has also supported 5 schools and funded agriculture training and numerous livelihood projects. Expenditure continues in the furtherance of the Charity's objectives and activities.

Trustees review the levels of reserves in the UK and in Nepal, the on-going repair and maintenance costs, staff costs, exchange rates and future financial requirements needed to ensure the Charity can fulfil commitments.

The Trustees are therefore satisfied that the Charity remains on a secure financial footing and that policies are maintained during the fluctuating and variable economic conditions. They are particularly grateful for the remarkable support received from donors worldwide who continue to help CAN to meet the current additional funding requirements.

FINANCIAL REVIEW

CAN's principal funding sources are the regular standing order donations and large grants from national and international charities and individual donors. Donations given for a nominated project or purpose are recorded as "restricted" as appropriate. The quarterly bank transfers to the Kathmandu bank account enable the continuity of the Charity's objectives in Nepal in accordance with UK Trustees' decisions, as recorded in the Minutes of the Meetings. UK Trustees regularly seek advice from the Kathmandu based Operations Director, the Management Committee that represents the communities within the project areas, and the Nepal-based members of the UK Trustees.

The SWC in Nepal scrutinises CAN's work for periods of five years. Their endorsement entitles CAN to apply to the Government of Nepal for grants towards existing and future project work. This agreement with the SWC has been renewed from June 2020 to June 2025.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2022

RESERVES

The Board of Trustees has established a reserves policy which appropriately reflects the risks to which the Charity is exposed and its obligations. In compliance with such policy, it will review regularly both the sum it wishes to hold in unrestricted reserves and the basis for that figure. The reserves policy considers ongoing fixed costs, excludes variable costs, and does not consider expenditure which is linked to restricted projects and therefore covered by restricted funds. The Board has established a policy for unrestricted funds not committed or expended on core activities, which equates to approximately £310,000. At this level, the Trustees feel that they would be able to continue the current core activities of the Charity in the event of a significant drop in funding for six months. This period would allow the Trustees to consider how the funding would be replaced or the activities changed.

The total funds at 31 March 2022 amounted to £890,650 of which £64,955 was restricted by the donors in their future use and £649,130 has been designated by the Trustees for specific purposes. This leaves a balance of free reserves of £174,681. The Trustees will continue with their efforts to maintain the level of unrestricted funds at a minimum of six months core activity expenditure.

The majority of reserves are held as cash.

Designated funds which total £649,130 are comprised of:

£503,659 designated to cover the costs of the charity's Social Welfare Council agreement (the charity's contract with the Nepal Government) until 2024;

£100,000 designated for a disaster/emergency fund (this can provide circa two months emergency cover in the event of an earthquake, flood or famine);

£45,471 designated for the pump priming of potential new projects (this is the average cost of a new construction project).

PLANS FOR FUTURE PERIODS

The aims and objectives for the future are the maintenance and continuity of health, education, agriculture, livelihood and community development programmes. Careful evaluation of the future project areas will be carried out and focus as stipulated by, and agreed with, the SWC.

CAN has agreed to build two more rural health facilities in North Gorkha at Nyak and Bhangsing and a primary school at Prok. The rebuilding works on completed sites and future sites were, and will continue to be, regularly inspected by qualified Nepal staff who have received training in the planning and rebuilding methods recognised in the "Build Back Better" programme, with some CAN Nepal staff receiving additional training in the UK.

PUBLIC BENEFIT REPORTING

The Charity delivers health, education and community development benefits to dispersed, diverse and remote village communities in Nepal. The work continues to support cultural heritage, diversification and long-term viability.

The Charity's trustees and employees do not receive any undisclosed benefits.

The project work is carried out in the geographical locations agreed with the SWC in Nepal and for the general community regardless of age, gender, economic circumstance, religion or caste.

The Charity's trustees are aware of the above requirements and the Charity Commission's Public Benefit guidance and have previously, and will in the future, continue to follow these guidelines.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2022

FUNDS HELD AS CUSTODIAN TRUSTEE

For part of the year the Charity held funds on behalf of other small charities not registered with the Charity Commission of England and Wales as follows:

Kashigaun

The above small charity raises funds in the UK but operate small projects in Nepal. From time to time it deposits funds into the Community Action Nepal UK bank account and asks for agreed sums to be transferred to their accounts in Kathmandu. In addition, it asks for advice from both the UK and Kathmandu offices of Community Action Nepal concerning its activities. The sums held on its behalf are recorded as restricted for that small charity.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 16 September 2022 and signed on its behalf by:

.....

G D Utting
Trustee

Community Action Nepal

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Community Action Nepal for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these 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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner's Report to the Trustees of Community Action Nepal

I report on the accounts of the company for the year ended 31 March 2022, which are set out on pages 9 to 24.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales (ICAEW).

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

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

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Joanne Thomlinson FCA
Dodd & Co Limited
Chartered Accountants

16 September 2022

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Community Action Nepal

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 March 2022

		Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	Note	£	£	£	£
Income and endowments from:					
Donations and legacies	2	278,750	140,202	418,952	489,874
Other trading activities	3	27,054	-	27,054	21,097
Investments	4	1,116	-	1,116	811
Total income and endowments		<u>306,920</u>	<u>140,202</u>	<u>447,122</u>	<u>511,782</u>
Expenditure on:					
Raising funds		12,466	-	12,466	1,765
Charitable activities		117,063	170,751	287,814	364,329
Total expenditure		<u>129,529</u>	<u>170,751</u>	<u>300,280</u>	<u>366,094</u>
Net income before transfers		177,391	(30,549)	146,842	145,688
Transfers					
Transfers between funds		<u>(1,250)</u>	<u>1,250</u>	<u>-</u>	<u>-</u>
Net movements in funds		176,141	(29,299)	146,842	145,688
Reconciliation of funds					
Total funds brought forward		649,554	94,254	743,808	598,120
Total funds carried forward		<u>825,695</u>	<u>64,955</u>	<u>890,650</u>	<u>743,808</u>

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 12 to 24 form an integral part of these financial statements.

Community Action Nepal
Company registration number: 3477884
Balance Sheet as at 31 March 2022

		2022	2021
	Note	£	£
Fixed assets			
Tangible assets	10	1,884	1,371
Current assets			
Stocks and work in progress		5,734	3,050
Debtors	11	86,359	59,740
Cash at bank and in hand		801,503	683,352
		<u>893,596</u>	<u>746,142</u>
Creditors: Amounts falling due within one year	12	<u>(4,830)</u>	<u>(3,705)</u>
Net current assets		<u>888,766</u>	<u>742,437</u>
Net assets		<u><u>890,650</u></u>	<u><u>743,808</u></u>
The funds of the charity:			
Restricted funds		64,955	94,254
Unrestricted funds			
Unrestricted income funds		<u>825,695</u>	<u>649,554</u>
Total charity funds		<u><u>890,650</u></u>	<u><u>743,808</u></u>

For the financial year ended 31 March 2022, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 16 September 2022 and signed on its behalf by:

.....
G D Utting
Trustee

The notes on pages 12 to 24 form an integral part of these financial statements.

Community Action Nepal
Cash Flow Statement for the Year Ended 31 March 2022

	2022	2021
	£	£
Net cash provided by (used by) operating activities		
Net income for the period	146,842	145,688
Depreciation charges	321	756
Increase in stocks	(2,684)	-
Increase in debtors	(26,619)	(24,220)
Increase/(decrease) in creditors	1,125	(2,625)
	<u>118,985</u>	<u>119,599</u>
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(834)	-
	<u>(834)</u>	<u>-</u>
Increase in cash	<u><u>118,151</u></u>	<u><u>119,599</u></u>

The notes on pages 12 to 24 form an integral part of these financial statements.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

The charitable company 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 notes.

Going concern

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in note 16.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other 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.

Income from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Income derived from the sale of goods and from events is recognised as earned, that is as the related goods or services are provided.

Investment income is recognised on a receivable basis.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds are the costs associated with attracting donations and legacies.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Amounts paid to Nepal are payments generally made to the charity's own registered Non Governmental Organisation and International Non Governmental Organisation in Kathmandu, Nepal, in the furtherance of the charitable objectives. These amounts are recognised in the Statement of Financial Activities on their date of payment.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs are the general overheads of the company and are accounted for on an accruals basis.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures, fittings and equipment	33% straight line basis and 15% reducing balance basis
----------------------------------	--

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Donations and legacies				
General donations	217,451	45,680	263,131	295,059
Simon & Lou Brown Foundation	-	12,500	12,500	20,000
Gift Aid tax reclaimed	20,799	5,498	26,297	26,750
	<u>238,250</u>	<u>63,678</u>	<u>301,928</u>	<u>341,809</u>
Grants				
General donations	13,500	9,800	23,300	19,000
Frank Davies Family Trust	12,000	-	12,000	12,000
Sandoz Family / De Meuron Foundation	-	12,500	12,500	25,000
International Porter Protection Group	-	5,000	5,000	-
Porters Progress UK	-	524	524	3,000
Nepalese Children's Medical Trust	-	10,000	10,000	10,000
Reach Out for Nepal	-	8,700	8,700	-
Big Lottery Community Fund	-	-	-	34,065
CAFOD	-	20,000	20,000	20,000
Green Energy International	-	-	-	25,000
Coles-Medlock Foundation	-	10,000	10,000	-
The Watson Trust	15,000	-	15,000	-
	<u>40,500</u>	<u>76,524</u>	<u>117,024</u>	<u>148,065</u>
	<u>278,750</u>	<u>140,202</u>	<u>418,952</u>	<u>489,874</u>

Of the donations and legacies income in 2021, £303,877 related to unrestricted funds and £185,997 related to restricted funds.

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Sales of purchased goods	17,626	-	17,626	9,401
Lectures	-	-	-	780
Events income	9,428	-	9,428	10,916
	<u>27,054</u>	<u>-</u>	<u>27,054</u>	<u>21,097</u>

All of the fundraising activities income in 2021 related to unrestricted funds.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

4 Investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Interest on cash deposits	1,116	-	1,116	811

All of the investment income in 2021 related to unrestricted funds.

5 Expenditure

	Fundraising £	Charitable activities £	Total 2022 £	Total 2021 £
Direct costs				
Amounts paid to Nepal for use in projects	-	215,771	215,771	318,715
Lecture expenses including venue hire	-	-	-	1,765
Event costs	5,148	-	5,148	-
Purchases of goods for resale	7,318	-	7,318	-
	<u>12,466</u>	<u>215,771</u>	<u>228,237</u>	<u>320,480</u>
Support costs				
Wages and salaries	-	46,059	46,059	-
Staff pensions	-	839	839	-
Fees for self employed labour	-	750	750	31,708
Staff training	-	746	746	-
Light, heat and power	-	532	532	1,065
Insurance	-	403	403	-
Telephone and fax	-	754	754	2,119
Website and IT costs	-	6,278	6,278	1,044
Printing, postage and stationery	-	5,644	5,644	1,924
Sundry expenses	-	1,296	1,296	1,518
Trustee meetings	-	155	155	-
Travel and subsistence to lectures and events	-	759	759	-
Advertising	-	1,309	1,309	60
Accountancy fees	-	5,671	5,671	4,966
Independent examiner's fee	-	300	300	300
Bank charges	-	227	227	154
Depreciation of fixtures, fittings and equipment	-	321	321	756
	<u>-</u>	<u>72,043</u>	<u>72,043</u>	<u>45,614</u>
	<u>12,466</u>	<u>287,814</u>	<u>300,280</u>	<u>366,094</u>

Of the expenditure in 2021, £122,698 related to unrestricted funds and £243,396 related to restricted funds.

Community Action Nepal
Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

6 Trustees' remuneration and expenses

No remuneration was paid to any of the Trustees during the year in respect of duties performed in their roles as Trustees.

None of the trustees received any monies to cover travel expenses during the year.

The Charity paid P Powell £nil (2021 : £9,925) during the year for providing consultancy services on funding opportunities.

The Charity paid J Maguire £nil (2021 : £4,168) during the year for providing fundraising and communications services.

7 Net income

Net income is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	321	756
Accountancy fees	5,671	4,966
Independent examiner's fee	300	300
	<u> </u>	<u> </u>

8 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year was as follows:

	2022 No.	2021 No.
Charitable activities	2	-
	<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows:

	2022 £	2021 £
Wages and salaries	46,059	-
Other pension costs	839	-
	<u>46,898</u>	<u> </u>

No employee received emoluments of more than £60,000 during the year (2021 - No. 0).

Although the Charity had no employees during the 2021 year it did use the services of five self employed persons during that year as and when required.

9 Taxation

The company is a registered charity and is therefore exempt from taxation on income and gains.

Community Action Nepal
Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

10 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
As at 1 April 2021	20,376
Additions	834
As at 31 March 2022	<u>21,210</u>
Depreciation	
As at 1 April 2021	19,005
Charge for the year	321
As at 31 March 2022	<u>19,326</u>
Net book value	
As at 31 March 2022	<u>1,884</u>
As at 31 March 2021	<u>1,371</u>

11 Debtors

	2022 £	2021 £
Other debtors including gift aid tax	86,037	59,740
Prepayments and accrued income	322	-
	<u>86,359</u>	<u>59,740</u>

12 Creditors: Amounts falling due within one year

	2022 £	2021 £
Other creditors	31	-
Accruals and deferred income	4,799	3,705
	<u>4,830</u>	<u>3,705</u>

13 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

14 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £839 (2021 - £nil).

Contributions totalling £31 (2021 - £nil) were payable to the scheme at the end of the period and are included in creditors.

15 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

During the year one of the charity's patrons, P B Scott, allowed the Charity to use her home as its office and store place. The Charity contributed £532 and £213 towards office heat and light costs and telephone costs respectively (2021 : £1,064 and £514). Commissions of £1,799 were also payable by the Charity to P B Scott for the sale of goods during the year (2021 : £nil). At 31 March 2022 Community Action Nepal owed P B Scott £1,799 (2021 : £nil).

P B Scott, is the director of Community Action Treks Limited. Throughout the year a balance existed between the Charity and Community Action Treks Limited due to Community Action Treks Limited receiving donations which should have been paid to the Charity and the Charity settling invoices on behalf of Community Action Treks Limited. At 31 March 2022 Community Action Treks Limited owed the Charity £4,215 (2021 : £4,215).

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

16 Analysis of funds

	At 1 April 2021	Incoming resources	Resources expended	Transfers	At 31 March 2022
	£	£	£	£	£
General Funds					
Unrestricted income fund	649,554	306,920	(129,529)	(1,250)	825,695
Restricted Funds					
Sherpa museum	25,958	6,250	(7,053)	-	25,155
North Gorkha health posts	-	21,598	(21,598)	-	-
Samagaun health post	-	6,000	-	-	6,000
Lho and Lihi health posts	-	6,250	(6,250)	-	-
Kashigaun school	2,224	440	(2,664)	-	-
Big Lottery Community Fund	12,685	-	(12,685)	-	-
CAFOD	10,000	21,000	(21,000)	-	10,000
Prok school	23,750	21,200	(29,450)	-	15,500
Chumling health post	-	12,500	(6,000)	-	6,500
Ripchet clinic	11,784	4,800	(14,784)	-	1,800
Porter relief fund	6,603	5,524	(12,127)	-	-
Covid-19 appeal	-	24,640	(24,640)	-	-
JTA agricultural worker	1,250	-	(2,500)	1,250	-
Healthcare in Chhokang Paro	-	10,000	(10,000)	-	-
	<u>94,254</u>	<u>140,202</u>	<u>(170,751)</u>	<u>1,250</u>	<u>64,955</u>
	<u>743,808</u>	<u>447,122</u>	<u>(300,280)</u>	<u>-</u>	<u>890,650</u>

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

Prior period

	At 1 April 2020	Incoming resources	Resources expanded	Transfers	At 31 March 2021
	£	£	£	£	£
General Funds		-			
Unrestricted income fund	446,722	325,785	(122,698)	(255)	649,554
Restricted Funds					
Sherpa museum	80,276		(54,318)	-	25,958
Sailung Trinetra	1,120	-	(1,120)	-	-
North Gorkha health posts	-	34,437	(34,437)	-	-
Prok health post	-	21,250	(21,250)	-	-
Kashigaun school	1,744	480	-	-	2,224
Big Lottery Community Fund	8,737	34,065	(30,372)	255	12,685
CAFOD	-	20,000	(10,000)	-	10,000
Prok school	28,750	-	(5,000)	-	23,750
Chumling health post	-	15,000	(15,000)	-	-
North Ghorka cultivation	-	3,750	(3,750)	-	-
Ripchet clinic	30,771	-	(18,987)	-	11,784
Porter relief fund	-	27,603	(21,000)	-	6,603
North Gorkha nursing team	-	10,000	(10,000)	-	-
Covid-19 appeal	-	1,462	(1,462)	-	-
Nile health post	-	10,000	(10,000)	-	-
Gorkha pathology laboratory	-	325	(325)	-	-
JTA agricultural worker	-	6,250	(5,000)	-	1,250
Tsum Nubri IT	-	1,375	(1,375)	-	-
	151,398	185,997	(243,396)	255	94,254
	598,120	511,782	(366,094)	-	743,808

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2022

..... *continued*

The restricted funds were created for the following projects:

Restricted fund	Project
Sherpa museum	To build a Sherpa heritage home museum and photographic gallery
Sailung TriNetra	Independent fund administered by CAN on behalf of Sailung TriNetra, an organisation dedicated to education and income generation amongst the rural peoples of East Nepal
North Gorkha health posts	To support health posts and provide healthcare in North Gorkha
Prok health post	To assist with the running costs of Prok health post
Samagaun health post	To build and fund the running costs of Samagaun health post
Lho and Lihi health posts	To assist with the running costs of Lho and Lihi health posts
Kashigaun school	Umbrella project administered by CAN to build and fund the running costs of a school at Kashigaun
Big Lottery Community Fund	Funding from the Big Lottery to fund post earthquake initiatives including health, model gardens, the building of demo homes and enterprise development
CAFOD	Funding from CAFOD to respond to the food security consequences of Covid-19 in North Gorkha
Prok school	To build a primary school in Prok
Chumling health post	To build and fund the running costs of Chumling health post
North Ghorka cultivation	To promote vegetable cultivation using poly tunnels
Ripchet clinic	To build an outreach clinic at Ripchet and provide it with nurses
Porter relief fund	To support porters and their families during the period in which the tourist trade was closed due to Covid-19
North Gorkha nursing team	To assist with the funding of the nursing team in North Gorkha
Covid-19 appeal	To assist with the prevention, containment and treatment of Covid-19
Nile health post	To build and fund the running costs of Nile health post
Gorkha pathology laboratory	To equip a pathology laboratory in the Gorkha region
JTA agriculture worker	To fund the salary of a JTA agriculture worker
Tsum Nubri IT	To fund IT equipment for Tsum Nubri
Healthcare in Chhokang Paro	To support the delivery of essential healthcare in Chhokang Paro, North Gorkha

17 Transfers

During the year transfers were made from the general fund to one restricted fund (see note 16). The monies transferred are the charity's contribution towards the restricted fund project and meets the shortfall in restricted funding.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2022

..... continued

18 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Tangible assets	1,884	-	1,884	1,371
Current assets	828,641	64,955	893,596	746,142
Creditors: Amounts falling due within one year	(4,830)	-	(4,830)	(3,705)
Net assets	<u>825,695</u>	<u>64,955</u>	<u>890,650</u>	<u>743,808</u>

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Tangible assets	1,371	-	1,371	2,127
Current assets	651,888	94,254	746,142	602,323
Creditors: Amounts falling due within one year	(3,705)	-	(3,705)	(6,330)
Net assets	<u>649,554</u>	<u>94,254</u>	<u>743,808</u>	<u>598,120</u>

Accounts

Community Action Nepal

(A company limited by guarantee)

Annual Report and Financial Statements

31 March 2021

Company registration number: 3477884

Charity registration number: 1067772



Community Action Nepal

Contents

Reference and Administrative Details	1
Trustees' report	3
Trustees' responsibilities in relation to the financial statements	7
Independent examiner's report	8
Statement of financial activities	9
Balance sheet	10
Cash flow statement	11
Notes to the financial statements	12

Community Action Nepal
Reference and Administrative Details

Charity name	Community Action Nepal
Charity registration number	1067772
Company registration number	3477884
Principal office	Stewart Hill Cottage Hesket Newmarket WIGTON CA7 8HX
Registered office	FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW
Trustees	J Frew Dr R E Lorge B Gyawali (resigned 6 May 2021) P Braithwaite L Houlding Dr M L Shrestha (resigned 24 September 2021) A Parkin (resigned 24 September 2021) B Ayers (resigned 1 November 2021) D B Webber P R Powell C Buchan Dr C A Souch Dr R A Welford Dr R A Parkin J Maguire (resigned 12 February 2021) D E Wilson (appointed 25 September 2020) (resigned 29 October 2021) M L Lewis (appointed 6 August 2021) G D Utting (appointed 24 September 2021) P B Pearson (appointed 5 November 2021)

Community Action Nepal
Reference and Administrative Details

Patrons	Sir C J S Bonington CBE
	P B Scott
Bankers	Cumberland Building Society
	38 Fisher Street
	CARLISLE
	CA3 8RQ
Accountant	Dodd & Co Limited
	FIFTEEN Rosehill
	Montgomery Way
	Rosehill Estate
	CARLISLE
	CA1 2RW

Community Action Nepal

Trustees' Report for the Year Ended 31 March 2021

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Company for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

REFERENCE AND ADMINISTRATIVE DETAILS

The founder and Operations Director of the charity, the late Douglas Keith Scott CBE, passed away on 7 December 2020 after a period of illness diagnosed in March 2020. His passing has been an enormous loss and great sadness to the charity, its supporters, Patrons, Trustees, Staff in the UK and Nepal and the remote mountain communities in Nepal that are supported by Community Action Nepal.

The Trustees have confirmed a willingness and resolve to continue the charity, his legacy, and to serve the mountain communities of Nepal.

The trustees who served during the year and who have been appointed since the year end are detailed on page one.

The trustees are appointed by the Council of Trustees in accordance with the Charity's Articles of Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is incorporated as a Company Limited by Guarantee and the governing document takes the form of the company's Memorandum and Articles of Association.

Following the earthquake of 2015, many of the UK Trustees regularly visited the project sites and rebuilding programmes, providing advice to everyone involved with the planning, scheduling, improvement and rebuild. With the post-earthquake rebuilding virtually complete, the work of CAN will be focusing on its original core purpose of continuing to deliver aid and support to the communities served by the buildings. The Trustees remain in frequent telephone and email contact with the Operations Director Nepal.

At the Annual General Meeting a Secretary, Treasurer and Chairman of the charity are nominated, seconded and appointed. Due to distance, it is not always possible for every member to attend each meeting and the Charity makes increasing use of web-based calls and conference calls. During the early onset of the Covid-19 pandemic and lockdown, the Trustees held weekly Zoom meetings; these were usually attended by UK trustees, UK trustees located in Nepal, the Operations Director Nepal and Patron(s), to discuss the day to day needs of CAN Nepal, its staff in both Kathmandu and the remote villages, seeking to ensure PPE was made available and distributed, together with vaccination for staff. The work of CAN and its finances are always available for inspection. Minutes of the meetings are circulated to all Trustees and relevant information conveyed as appropriate to members of the Management Committee in Nepal and to the Operations Director Nepal.

New trustees are inducted into their role by existing trustees who explain the charity's objectives and activities and pass on their detailed knowledge of the charity's projects and its finances. Trustees are directed towards guidance issued by the Charity Commission and Companies House as to the legal responsibilities they have as trustees and directors and are encouraged to seek any opportunities to continually develop their skills and knowledge.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2021

RISK ASSESSMENT

The Trustees agree and are made aware of their duty to consider the risks that the Charity faces. Reserves accumulated both in the UK bank accounts and in the Kathmandu accounts are maintained at a level to ensure cash reserves are available to support the project work and payment of staff employed to maintain the work. The UK holds funds in a current account and two interest-bearing reserve accounts. Funds are sent quarterly to the Kathmandu office on receipt of detailed information about funds needed for the following quarter. Trustees are aware that the Charity does not over extend spending in relation to the number of projects maintained. The weakening of the GBP during Brexit negotiations has been a major consideration. CAN in Nepal is in close liaison with the Social Welfare Council [SWC] in Nepal about their future requirements and stipulations that were fully implemented by 1 January 2020. Since January 2020, CAN has handed over more of the dispersed project areas, in compliance with SWC requirements for the next five year period from 10 June 2020 to 9 June 2025. CAN is concentrating on the less accessible region of North Gorkha, Nubri and the Tsum Valley.

To reduce the risks attached to the use in Nepal of monies raised in the UK, the Charity is registered as an NGO and INGO in Nepal. The UK Trustees are satisfied that CAN has staff and procedures in place to ensure monies are strictly accounted for and are spent as detailed in the quarterly request information. These also comply with the strict and robust accounting procedures of organisations associated with funding part of CAN's work.

As previously, the trustees are aware that effective financial control is essential both in the UK and in Nepal. Fundraising continues to be a high priority together with on-going awareness of the economic situations in both the UK and in Nepal.

OBJECTIVES AND ACTIVITIES

The Charity was set up in 1997 to provide relief of poverty, sickness and distress amongst the people of Nepal in the project areas in compliance with the stipulations of the Social Welfare Council [SWC] of Nepal, as set out in the Memorandum of Association. The activities, projects and services covered comprise support for health, education and the relief of poverty and distress in the SWC nominated and agreed areas.

In setting the charity's objectives, the trustees have paid due regard to Charity Commission guidance on public benefit.

The main objective of the Charity during the period under review was to complete the rebuilding work adhered to the Build Back Better principles, thus ensuring maximum protection if there are future earthquake risks; therefrom, to ensure the secure handover of projects that by the end of 2019 fell outside the SWC stipulated area. Both the UK and Nepal Operations Directors maintain close contact with the SWC. CAN is fortunate to have benefited from generous funding, professional advice, and experience from visiting volunteers, as well as visits to project sites from self-funding members of the Trustee group and the charity's founder, the late Douglas Scott CBE.

The Charity is grateful for and acknowledges the generous contributions made by volunteers who raise funds in the UK and overseas to support the activities as detailed in the accounts and by volunteers who completely self-fund agreed visits to the projects in Nepal and report back to the Trustees.

ACHIEVEMENTS AND PERFORMANCE

During the year under review the donations received by the Charity and regular standing order payments enabled the Charity to transfer to Nepal £318,715 of funds used mainly for the rebuilding work following the earthquake. Expenditure continues in the furtherance of the Charity's objectives and activities.

Trustees review the levels of reserves in the UK and in Nepal, the on-going repair and maintenance costs, staff costs, exchange rates and future financial requirements needed to ensure the Charity can fulfil commitments.

The Trustees are therefore satisfied that the Charity remains on a secure financial footing and that policies are maintained during the fluctuating and variable economic conditions. They are particularly grateful for the remarkable support received from donors worldwide who continue to help CAN to meet the current additional funding requirements.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2021

FINANCIAL REVIEW

CAN's principal funding sources are the regular standing order donations and large grants from national and international charities and individual donors. Donations given for a nominated project or purpose are recorded as "restricted" as appropriate. The quarterly bank transfers to the Kathmandu bank account enable the continuity of the Charity's objectives in Nepal in accordance with UK Trustees' decisions, as recorded in the Minutes of the Meetings. UK Trustees regularly seek advice from the Kathmandu based Operations Director, the Management Committee that represents the communities within the project areas, and the Nepal-based members of the UK Trustees.

The SWC in Nepal scrutinises CAN's work for periods of five years. Their endorsement entitles CAN to apply to the Government of Nepal for grants towards existing and future project work. This agreement with the SWC has been renewed from June 2020 to June 2025.

RESERVES

The Trustees have reviewed the reserves of the Charity. The reserve funds at the end of the year under review are £743,808 being made up of £649,554 of unrestricted funds and £94,254 of restricted funds. £318,715 has been sent to Nepal during this period to fund the on-going project work and the reconstruction work. Free reserves at the year end were £648,183.

The restricted Big Lottery Fund has continued to support projects but the funding will end in October 2021 and no further grants are expected from this source.

The majority of the Charity's reserves are held as cash. They will be used, at the discretion of the Trustees, towards the primary objectives of the Charity and as a contingency fund to cover any unforeseen expenditure as in the year under review.

PLANS FOR FUTURE PERIODS

The aims and objectives for the future are the maintenance and continuity of education, health and community development programmes already established and careful evaluation of the future project areas and focus as stipulated by, and agreed with, the SWC.

The post-earthquake rebuilding work and repair work has now been completed and was of higher standards than those presently stipulated by the Nepali Government. In the course of signing off repaired buildings CAN has agreed to build two more rural health facilities in North Gorkha at Nyak and Bhangsing and a primary school at Prok. The rebuilding works on completed sites and future sites were, and will continue to be, regularly inspected by qualified Nepal staff who have received training in the planning and rebuilding methods recognised in the "Build Back Better" programme with some CAN Nepal staff receiving additional training in the UK.

CAN has continued to support three porter rescue shelters which CAN built in the past but discussions are underway to hand over the running of these facilities to local organisations in the Solu Khumbu.

PUBLIC BENEFIT REPORTING

The Charity delivers health, education and community development benefits to dispersed, diverse and remote village communities in Nepal. The work continues to support cultural heritage, diversification and long-term viability.

The Charity's trustees and employees do not receive any undisclosed benefits.

The project work is carried out in the geographical locations agreed with the SWC in Nepal and for the general community regardless of age, gender, economic circumstance, religion or caste.

The Charity's trustees are aware of the above requirements and the Charity Commission's Public Benefit guidance and have previously and will in the future, continue to follow these guidelines.

Community Action Nepal
Trustees' Report for the Year Ended 31 March 2021

FUNDS HELD AS CUSTODIAN TRUSTEE

The Charity holds funds on behalf of other small charities not registered with the Charity Commission of England and Wales as follows:

Kashigaun: £2,224

The above small charity raises funds in the UK but operates small projects in Nepal. From time to time it deposits funds into the Community Action Nepal UK bank account and asks for agreed sums to be transferred to its accounts in Kathmandu. In addition, it asks for advice from both the UK and Kathmandu offices of Community Action Nepal concerning its activities. The sums held on its behalf are recorded as restricted for that small charity.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 10 December 2021 and signed on its behalf by:

.....

M L Lewis
Trustee

Community Action Nepal

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Community Action Nepal for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these 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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner's Report to the Trustees of Community Action Nepal

I report on the accounts of the company for the year ended 31 March 2021, which are set out on pages 9 to 25.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales (ICAEW).

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

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

Independent examiner's statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
Martin S Ward FCA
Dodd & Co Limited
Chartered Accountants

10 December 2021

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Community Action Nepal

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 March 2021

		Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	Note	£	£	£	£
Income and endowments from:					
Donations and legacies	2	303,877	185,997	489,874	633,591
Other trading activities	3	21,097	-	21,097	106,874
Investments	4	811	-	811	1,649
Other incoming resources	5	-	-	-	3
Total income and endowments		<u>325,785</u>	<u>185,997</u>	<u>511,782</u>	<u>742,117</u>
Expenditure on:					
Raising funds		1,765	-	1,765	67,460
Charitable activities		120,933	243,396	364,329	536,950
Total expenditure		<u>122,698</u>	<u>243,396</u>	<u>366,094</u>	<u>604,410</u>
Net income before transfers		203,087	(57,399)	145,688	137,707
Transfers					
Transfers between funds		<u>(255)</u>	<u>255</u>	<u>-</u>	<u>-</u>
Net movements in funds		202,832	(57,144)	145,688	137,707
Reconciliation of funds					
Total funds brought forward		446,722	151,398	598,120	460,413
Total funds carried forward		<u>649,554</u>	<u>94,254</u>	<u>743,808</u>	<u>598,120</u>

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 12 to 25 form an integral part of these financial statements.

Community Action Nepal
Company registration number: 3477884
Balance Sheet as at 31 March 2021

		2021	2020
	Note	£	£
Fixed assets			
Tangible assets	11	1,371	2,127
Current assets			
Stocks and work in progress		3,050	3,050
Debtors	12	59,740	35,520
Cash at bank and in hand		683,352	563,753
		<u>746,142</u>	<u>602,323</u>
Creditors: Amounts falling due within one year	13	<u>(3,705)</u>	<u>(6,330)</u>
Net current assets		<u>742,437</u>	<u>595,993</u>
Net assets		<u><u>743,808</u></u>	<u><u>598,120</u></u>
The funds of the charity:			
Restricted funds		94,254	151,398
Unrestricted funds			
Unrestricted income funds		<u>649,554</u>	<u>446,722</u>
Total charity funds		<u><u>743,808</u></u>	<u><u>598,120</u></u>

For the financial year ended 31 March 2021, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 10 December 2021 and signed on its behalf by:

.....
M L Lewis
Trustee

The notes on pages 12 to 25 form an integral part of these financial statements.

Community Action Nepal
Cash Flow Statement for the Year Ended 31 March 2021

	2021	2020
	£	£
Net income for the period	145,688	137,707
Depreciation charges	756	913
Decrease in stocks	-	715
Increase in debtors	(24,220)	(3,511)
Decrease in creditors	(2,625)	(448)
Increase in cash	<u>119,599</u>	<u>135,376</u>

The notes on pages 12 to 25 form an integral part of these financial statements.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

Basis of preparation

The charitable company 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 notes.

Going concern

These financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in note 16.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Income derived from the sale of goods and from events is recognised as earned, that is as the related goods or services are provided.

Investment income is recognised on a receivable basis.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of raising funds are the costs associated with attracting donations and legacies.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Amounts paid to Nepal are payments generally made to the charity's own registered Non Governmental Organisation and International Non Governmental Organisation in Kathmandu, Nepal, in the furtherance of the charitable objectives. These amounts are recognised in the Statement of Financial Activities on their date of payment.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs are the general overheads of the company and are accounted for on an accruals basis.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures, fittings and equipment	33% straight line basis and 15% reducing balance basis
----------------------------------	--

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

2 Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Donations and legacies				
General donations	252,366	61,693	314,059	170,120
Frank Davies Family Trust	12,000	-	12,000	12,000
Sandoz Family / De Meuron Foundation	-	25,000	25,000	25,000
Porters Progress UK	-	3,000	3,000	-
Jephcott Charitable Trust	-	-	-	18,500
Nepalese Children's Medical Trust	-	10,000	10,000	-
Reach Out for Nepal	-	-	-	5,300
Big Lottery Community Fund	-	34,065	34,065	52,338
CAFOD	-	20,000	20,000	-
Simon & Lou Brown Foundation	-	20,000	20,000	10,000
Anthony Lo Tak Sau	-	-	-	30,000
Imperial College Union of Students	-	-	-	10,508
Fred Iseman	-	-	-	15,000
P A J Gozzard bequest	-	-	-	250,000
Alan & Nesta Ferguson Charitable Trust	-	-	-	19,000
Green Energy International	25,000	-	25,000	-
Gift Aid tax reclaimed	14,511	12,239	26,750	15,825
	<u>303,877</u>	<u>185,997</u>	<u>489,874</u>	<u>633,591</u>

Of the donations and legacies income in 2020, £480,818 related to unrestricted funds and £152,773 related to restricted funds.

3 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Sales of purchased goods	9,401	-	9,401	58,806
Lectures	780	-	780	37,983
Events income	10,916	-	10,916	10,085
	<u>21,097</u>	<u>-</u>	<u>21,097</u>	<u>106,874</u>

All of the fundraising income in 2020 related to unrestricted funds.

Community Action Nepal
Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

4 Investments

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Interest on cash deposits	811	-	811	1,649

All of the investment income in 2020 related to unrestricted funds.

5 Other incoming resources

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Other income	-	-	-	3

All of the other income in 2020 related to unrestricted funds.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

6 Expenditure

	Fundraising	Charitable activities	Total 2021	Total 2020
	£	£	£	£
Direct costs				
Amounts paid to Nepal for use in projects	-	318,715	318,715	402,128
Helicopters, hotels and other travel expenses to visit projects in Nepal	-	-	-	21,383
Lecture expenses including venue hire	1,765	-	1,765	35,860
Event costs	-	-	-	13,153
Payments to fundraising event partner charity	-	-	-	1,098
Purchases of goods for resale	-	-	-	17,349
	<u>1,765</u>	<u>318,715</u>	<u>320,480</u>	<u>490,971</u>
Support costs				
Fees for self employed labour	-	31,708	31,708	76,798
Light, heat and power	-	1,065	1,065	3,768
Insurance	-	-	-	205
Repairs and renewals	-	-	-	850
Telephone and fax	-	2,119	2,119	4,143
Website and IT costs	-	1,044	1,044	2,596
Printing, postage and stationery	-	1,924	1,924	3,553
Sundry expenses	-	1,518	1,518	2,543
Cleaning	-	-	-	600
Trustee meetings	-	-	-	524
Travel and subsistence to lectures and events	-	-	-	9,728
Advertising	-	60	60	-
Accountancy fees	-	4,966	4,966	6,526
Independent examiner's fee	-	300	300	300
Bank charges	-	154	154	392
Depreciation of fixtures, fittings and equipment	-	756	756	913
	<u>-</u>	<u>45,614</u>	<u>45,614</u>	<u>113,439</u>
	<u>1,765</u>	<u>364,329</u>	<u>366,094</u>	<u>604,410</u>

Of the expenditure in 2020, £444,176 related to unrestricted funds and £160,234 related to restricted funds.

Community Action Nepal
Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

7 Trustees' remuneration and expenses

No remuneration was paid to either any of the Trustees during the year in respect of duties performed in their roles as Trustees.

None of the trustees received any monies to cover travel expenses during the year.

The Charity paid P Powell £9,925 (2020 : £9,115) during the year for providing consultancy services on funding opportunities.

The Charity paid J Maguire £4,168 (2020 : £nil) during the year for providing fundraising and communications services.

8 Net income

Net income is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	756	913
Accountancy fees	4,966	6,526
Independent examiner's fee	300	300
	<u> </u>	<u> </u>

9 Employees' remuneration

The Charity had no employees during the year but the Charity did use the services of five self employed persons during the year as and when required.

10 Taxation

The company is a registered charity and is therefore exempt from taxation on income and gains.

Community Action Nepal
Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

11 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
As at 1 April 2020 and 31 March 2021	<u>20,376</u>
Depreciation	
As at 1 April 2020	18,249
Charge for the year	<u>756</u>
As at 31 March 2021	<u>19,005</u>
Net book value	
As at 31 March 2021	<u><u>1,371</u></u>
As at 31 March 2020	<u><u>2,127</u></u>

12 Debtors

	2021 £	2020 £
Other debtors including gift aid tax	<u>59,740</u>	<u>35,520</u>

13 Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	3,180
Accruals and deferred income	<u>3,705</u>	<u>3,150</u>
	<u><u>3,705</u></u>	<u><u>6,330</u></u>

14 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

15 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

During the year the Charity purchased no posters, prints and books for resale from the Charity's former Operations Director, D K Scott, whereas in 2020 it purchased goods from him to the value of £6,180. The Charity also reimbursed him no amounts during the year for travel and accommodation expenses nor for various out of pocket expenses, including fees he paid out to lecture speakers, which were incurred attending events and giving fundraising lectures both in the UK and abroad in the furtherance of the Charity's work (2020 : £10,402 and £1,528 respectively). D K Scott allowed the Charity to use his home as its office and store place. The charity contributed £1,064, £514 and £nil towards office heat and light costs, telephone costs and cleaning costs respectively (2020 : £3,768, £1,730 and £600). At 31 March 2021 D K Scott owed Community Action Nepal £nil (2020 : £2,530).

D K Scott (Operations Director) was the director of Community Action Treks Limited up to 7 December 2020. Throughout the year a balance existed between the Charity and Community Action Treks Limited due to Community Action Treks Limited receiving donations which should have been paid to the Charity and the Charity settling invoices on behalf of Community Action Treks Limited. At 31 March 2021 Community Action Treks Limited owed the Charity £4,215 (2020 : £4,215).

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

16 Analysis of funds

	At 1 April 2020	Incoming resources	Resources expended	Transfers	At 31 March 2021
	£	£	£	£	£
General Funds					
Unrestricted income fund	446,722	325,785	(122,698)	(255)	649,554
Restricted Funds					
Sherpa museum	80,276	-	(54,318)	-	25,958
Sailung TriNetra	1,120	-	(1,120)	-	-
North Gorkha health posts	-	34,437	(34,437)	-	-
Prok health post	-	21,250	(21,250)	-	-
Kashigaun school	1,744	480	-	-	2,224
Big Lottery Community Fund	8,737	34,065	(30,372)	255	12,685
CAFOD	-	20,000	(10,000)	-	10,000
Prok school	28,750	-	(5,000)	-	23,750
Chumling health post	-	15,000	(15,000)	-	-
North Gorkha cultivation	-	3,750	(3,750)	-	-
Ripchet clinic	30,771	-	(18,987)	-	11,784
Porter relief fund	-	27,603	(21,000)	-	6,603
North Gorkha nursing team	-	10,000	(10,000)	-	-
Covid-19 appeal	-	1,462	(1,462)	-	-
Nile health post	-	10,000	(10,000)	-	-
Gorkha pathology laboratory	-	325	(325)	-	-
JTA agricultural worker	-	6,250	(5,000)	-	1,250
Tsum Nubri IT	-	1,375	(1,375)	-	-
	151,398	185,997	(243,396)	255	94,254
	598,120	511,782	(366,094)	-	743,808

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

Prior period

	At 1 April 2019	Incoming resources	Resources expanded	Transfers	At 31 March 2020
	£	£	£	£	£
General Funds		-			
Unrestricted income fund	328,895	589,344	(444,176)	(27,341)	446,722
Restricted Funds					
Sherpa museum	104,687	10,000	(34,411)	-	80,276
Sailung Trinetra	1,120	-	-	-	1,120
Melamchi hostel/school	8,000	-	(16,384)	8,384	-
Bahrabise hostel/school	-	200	(200)	-	-
Sama health posts	3,000	-	(3,000)	-	-
Kashigaun school	1,744	-	-	-	1,744
Langtang village rebuild		1,000	(1,000)	-	-
Four health camps	22,025	-	(22,025)	-	-
Big Lottery Community Fund	(31,860)	52,338	(30,698)	18,957	8,737
Prok school	8,750	20,000	-	-	28,750
Chumling health post	1,306	-	(1,306)	-	-
North Ghorka cultivation	-	3,750	(3,750)	-	-
Ripchet clinic	6,971	23,800	-	-	30,771
Kashigaun / Yarsa village	775	41,685	(42,460)	-	-
North Gorkha	5,000	-	(5,000)	-	-
	131,518	152,773	(160,234)	27,341	151,398
	460,413	742,117	(604,410)	-	598,120

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

The restricted funds were created for the following projects:

Restricted fund	Project
Sherpa museum	To build a Sherpa heritage home museum and photographic gallery
Sailung TriNetra	Independent fund administered by CAN on behalf of Sailung TriNetra, an organisation dedicated to education and income generation amongst the rural peoples of East Nepal
Melamchi hostel / school	To fund general running costs of Melamchi hostel / school
Bahrabise hostel / school	To part fund the building of a new hostel building at the residential school for deaf children at Bahrabise
North Gorkha health posts	To support health posts and provide healthcare in North Gorkha
Prok health post	To assist with the running costs of Prok health post
Sama health post	To build and fund the running costs of Sama health post
Kashigaun school	Umbrella project administered by CAN to build and fund the running costs of a school at Kashigaun
Langtang village rebuild	To assist with the rebuild of the village of Langtang
Four health camps	To fund the costs of providing four health camps
Big Lottery Community Fund	Funding from the Big Lottery to fund post earthquake initiatives including health, model gardens, the building of demo homes and enterprise development
CAFOD	Funding from CAFOD to respond to the food security consequences of Covid-19 in North Gorkha
Prok school	To build a primary school in Prok
Chumling health post	To build and fund the running costs of Chumling health post
North Ghorka cultivation	To promote vegetable cultivation using poly tunnels
Ripchet Clinic	To build an outreach clinic at Ripchet and provide it with nurses
Kashigaun / Yarsa village	To assist with building works in Kashigaun / Yarsa village
North Ghorka	To complete rebuilding works and provide new health facilities in North Gorkha
Porter relief fund	To support porters and their families during the period in which the tourist trade is closed due to Covid-19
North Gorkha nursing team	To assist with the funding of the nursing team in North Gorkha
Covid-19 appeal	To assist with the prevention, containment and treatment of Covid-19
Nile health post	To build and fund the running costs of Nile health post
Gorkha pathology laboratory	To equip a pathology laboratory in the Gorkha region
JTA agriculture worker	To fund the salary of a JTA agriculture worker
Tsum Nubri IT	To fund IT equipment for Tsum Nubri

17 Transfers

During the year transfers were made from the general fund to one restricted fund (see note 16). The monies transferred are the charity's contribution towards the restricted fund project and meets the shortfall in restricted funding.

Community Action Nepal

Notes to the Financial Statements for the Year Ended 31 March 2021

..... continued

18 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
	£	£	£	£
Tangible assets	1,371	-	1,371	2,127
Current assets	651,888	94,254	746,142	602,323
Creditors: Amounts falling due within one year	(3,705)	-	(3,705)	(6,330)
Net assets	<u>649,554</u>	<u>94,254</u>	<u>743,808</u>	<u>598,120</u>

Prior period

	Unrestricted Funds	Restricted Funds	Total Funds 2020	Total Funds 2019
	£	£	£	£
Tangible assets	2,127	-	2,127	3,040
Current assets	450,925	151,398	602,323	464,151
Creditors: Amounts falling due within one year	(6,330)	-	(6,330)	(6,778)
Net assets	<u>446,722</u>	<u>151,398</u>	<u>598,120</u>	<u>460,413</u>