

**NEPAL LEPROSY TRUST**  
**COMPANY LIMITED BY GUARANTEE**  
**ANNUAL REPORT**  
**AND**  
**FINANCIAL STATEMENTS**  
**31st December, 2021**  
**CHARITY NUMBER 1081952**  
**COMPANY NUMBER 4046961**

NEPAL LEPROSY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

**Trustees**

I. Beech  
M. Davies  
M. Ghimire  
E. Jordan  
J. Lowther  
S. Wells  
M. Wetherall

**Company Secretary**

J. Lowther (unpaid)

**General Manager**

M. Houghton

**Office**

The Principal Office of the Charity is at 10A The Vineyard, Richmond, Surrey, TW10 6AQ. This is also the Registered Office.

**Independent Examiner**

Janice Matthews FCA, Menzies LLP, Centrum House, 36 Station Road, Egham, Surrey, TW20 9LF.

**Principal Bankers**

Barclays Bank PLC, 8 George Street, Richmond, Surrey TW9 1JU.

**Solicitors**

Anthony Collins Solicitors LLP, 134 Edmund Street, Birmingham B3 2ES.

## **NEPAL LEPROSY TRUST**

### **TRUSTEES' ANNUAL REPORT**

The Trustees, who are also the Directors of the Charity for purposes of the Companies Act, submit their report and the unaudited financial statements for the year ended 31st December, 2021.

#### **Structure, Governance and Management**

##### **Status and Governing Document**

Nepal Leprosy Trust is a charitable company limited by guarantee number 4046961 and a registered charity number 1081952. The Charity is governed by a Memorandum and Articles of Association dated 18th July, 2000. It is exempt from the requirement to use the word “limited” in its name. The company is registered in England and Wales. Its incorporation date was 3rd August 2000.

##### **Charity and Company Law**

The accounts comply with the Charities Act 2011 and the Companies Act 2006. The Trustees have adopted the provisions of the Charities SORP (FRS 102) in preparing the annual report and accounts.

##### **Governance and Internal Control**

The day-to-day business of the Charity is monitored by a Trustee, James Lowther, who has visited the projects in Nepal on many occasions and is in regular contact with the General Manager of Nepal Leprosy Trust in the UK Office and with colleagues in Nepal. The Board of Trustees holds meetings quarterly; in between meetings, they are kept informed and consulted on important events and matters arising. The Charity works closely with Nepal Leprosy Trust (Nepal) which is a Nepal-based leprosy organisation with its own Nepali Executive Board. The Charity provides grants for Nepal Leprosy Trust (Nepal). A UK office staff member or a Trustee meets with the Nepal Executive Board whenever they travel to Nepal, and this is attempted at least once a year. (A visit did not take place during 2021 because of COVID-19.)

The UK staff comprises unpaid volunteers with the exception of two part-time staff.

New Trustees are appointed by the existing Trustees. Unanimity is sought concerning such appointments and this has always been achieved. New Trustees are given written and verbal information on the Charity and their legal and practical responsibilities.

##### **Trustees' Responsibilities in relation to the Unaudited Financial Statements**

The Trustees are responsible for preparing the Trustees' Report and the unaudited financial statements in accordance with applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the Trustees to prepare unaudited financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period.

## **NEPAL LEPROSY TRUST**

### **TRUSTEES' ANNUAL REPORT (continued)**

In preparing these unaudited financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the unaudited financial statements; and
- prepare the unaudited financial statements on the going concern basis, unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and enable them to ensure that the unaudited financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence to take reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees are responsible for the maintenance and integrity of the Charity and financial information included in the Charity's website.

#### **Trustee Induction and Training**

New Trustees are made aware of the seriousness of their responsibilities and obligations under charity and company law. They are encouraged to understand these obligations by reading relevant Charity Commission publications.

#### **Organisation**

The Board of Trustees, which can have up to 12 members, administers the Charity. The Board meets quarterly and one trustee, a Chartered Accountant, also acts as treasurer and book-keeper. The General Manager is appointed by the Trustees to manage the day to day operations of the Charity. To facilitate effective operations, the General Manager has delegated authority, with terms of delegation agreed by the Trustees. The General Manager maintains regular phone and email contact with the Trustee who is Treasurer, and keeps him abreast of important issues. The General Manager also communicates with all the Trustees from time to time with updates and information on matters arising in the life of the Charity.

#### **Related Parties and cooperation with other organisations**

The Trustees are unpaid and receive no benefit from their work with the Charity. There is no relationship between any trustee and employees or suppliers.

The Charity has good working relationships with organisations with a similar vision, in particular The Leprosy Mission and American Leprosy Missions.

## **NEPAL LEPROSY TRUST**

### **TRUSTEES' ANNUAL REPORT (continued)**

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

The Trustees consider that the board of directors, who are the Trust's trustees and the General Manager comprise the key management personnel of the Charity in charge of directing, controlling, running and operating the Trust on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in a note to the accounts.

The pay of the employed staff is reviewed annually and normally increased in accordance with inflation and performance. Salaries reflect the pay levels in other organisations of a similar size run on a voluntary basis.

#### **Objectives and Activities for the public benefit**

##### **Objects**

The principal object of the Charity is the provision of relief and aid for those affected by leprosy in Nepal. Assistance is also provided for the poor of Nepal.

##### **Objectives**

The main objectives for the year were to:

1. Secure adequate funding to continue and develop the activities in Nepal.
2. Develop the capacity of the Nepali workers and Executive Board members.
3. Continue to support the work in Nepal in the fair trade workshop and social care activities in Kathmandu, in the hospital setting at Lalgadh, and especially in the key area of activities in the community setting.
4. Maintain positive and fruitful relations with Nepal Leprosy Trust (Nepal) Executive Board and staff in support of the vision of the Trustees.

##### **Activities**

The Charity has built a long-standing relationship with its sister organisation, Nepal Leprosy Trust (Nepal), a Nepal-registered organisation with similar objects. There is regular contact between the two organisations, their Boards and staff. The Charity achieves its aims by providing financial and technical support for the leprosy work in Nepal, according to agreed plans and budgets, consistent with the rules and regulations of the Government of Nepal.

The Charity continued to develop its existing projects in the year in the light of its desire to follow a holistic approach to care. Activities were impacted significantly by lockdowns.

The Charity funds income-generation and social welfare projects in Kathmandu. Projects include workshops for leather, fabric and felt. All the workers in Kathmandu are Nepalis.

## **NEPAL LEPROSY TRUST**

### **TRUSTEES' ANNUAL REPORT (continued)**

The Trust's major project is supporting Lalgadh Leprosy Hospital and Services Centre (LLHSC). LLHSC's combination of community activities and responsible diagnostic and treatment services continues to be effective. The Trust remains committed to innovative ideas to develop LLHSC's programmes.

During the year, the Charity had 2 part-time paid employees and an average of two workers on the field.

The Charity enjoys links with a number of organisations in the UK, Nepal and elsewhere who have similar objects.

#### **Public Benefit**

The trustees have considered the guidance of the Charity Commission on public benefit. These have been borne in mind when reviewing the Trust's aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The provision of public benefit is given at no charge and is made available without discrimination, to people affected by leprosy or other disabilities and to those on low incomes.

#### **Volunteers**

The Trustees are grateful for the unpaid volunteers who serve the Trust in such an excellent way.

#### **Nepal Leprosy Trust (Ireland)**

The Charity has a close working relationship with Nepal Leprosy Trust (Ireland), a charitable organisation registered in Ireland with similar objectives.

#### **Grant-making Policies**

The Trustees allocate grants to supported projects in Nepal in line with the objects of the Charity and plans agreed by Nepal Leprosy Trust (Nepal) and the Government of Nepal.

### **How the Charity's Grants Achieved Public Benefit: a Review of Achievements and Performance**

The Charity exists to provide relief and aid for those affected by leprosy and others in Nepal. It works through its sister organisation Nepal Leprosy Trust (Nepal) and has been successful in playing a key role by:

1. Raising funds and acting as a channel for funds.
2. Providing accountability for Nepal Leprosy Trust (Nepal) in the eyes of donors.
3. Providing necessary expatriate specialists (doctors, consultants etc.) for Nepal Leprosy Trust (Nepal).
4. Providing vision and valued advisory support to Nepal Leprosy Trust (Nepal).

## **NEPAL LEPROSY TRUST**

### **TRUSTEES' ANNUAL REPORT (continued)**

In Kathmandu, handicraft export orders continued to be secured. Employment was provided for 50 people (47 in the previous year) and 102 needy individuals (118 in the previous year) benefited from social support schemes.

In 2021, LLHSC received 76,486 out-patient visits (55,027 in the previous year) and identified 894 new cases of leprosy (606 in the previous year). The increase in these numbers reflects the easing of the restrictions caused by COVID-19. LLHSC is one of the busiest leprosy centres in the world. The work was led by Nepalis, with input and monitoring from the UK and advice from expatriate specialists.

The work at LLHSC has generated considerable interest in the field of leprosy, and articles on its approaches to the challenge of leprosy have appeared in a number of international journals in recent years.

In relation to the year's objectives as set out above:

1. Funding: the Charity achieved an unrestricted fund surplus. The 2022 income is expected to be comparable to recent years.
2. Capacity: LLHSC has been operating successfully for over ten years under Nepali leadership; and the current five-year agreement with the Nepali Government (December 2019 to December 2024) is now the primary responsibility of the Executive Board in Nepal.
3. Support: continued development of Nepal Leprosy Trust (Nepal) and key work areas was achieved, especially in the community work programme.
4. Ownership of the vision: Positive and fruitful relations were maintained with Nepali staff and Executive Board members in support of the vision of the trustees.

### **Financial Review**

#### **Income Generation**

The Charity's income increased from £317,596 to £371,043. This 17% increase resulted mainly from higher trust giving. The principal funding sources are American Leprosy Missions and Chartsand Limited.

#### **Legacy Fund**

The Trustees have designated gifts from legacies to a separate legacy fund, which will be used for specific purposes as approved by the Trustees.

#### **Reserves**

Although substantial unrestricted reserves have not been accumulated, the Charity has consistently been able to fund and develop the projects it supports and add new ones. The Charity exists to support projects in Nepal, so the majority of its income is transferred to Nepal, with the result that the Charity has not built up large reserves, but has also never moved into deficit. In October 2021, the Trustees reviewed the reserves policy and decided that it would be more appropriate to base the reserves

## **NEPAL LEPROSY TRUST**

### **TRUSTEES' ANNUAL REPORT (continued)**

target on UK running costs, rather than the previous target of 5% of turnover. A target of 6 months of UK running costs was set.

For 2021, this would be £32,514. The Trustees consider that the unrestricted reserves at the year-end of £29,669 (2020 - £29,586) were sufficient, being close to the new target.

	2021	2020
	£	£
Total reserves	247,247	212,617
Less: restricted reserves	(194,385)	(171,038)
Less: designated reserves, legacy fund	(23,193)	(11,993)
	<hr/>	<hr/>
	£29,669	£29,586
	<hr/>	<hr/>
Target unrestricted reserves	£32,514	£16,654
	<hr/>	<hr/>

### **Risk Assessment**

The major risks to which the Charity has been exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks.

The previously unsettled political situation in Nepal has improved in recent years following the signing of the new Constitution in 2015. This has encouraged stability for the activities of Nepal Leprosy Trust (Nepal) and the work has been able to continue as normal. There is a much reduced need for expatriate staff, since the Nepali senior management teams have grown in confidence as more responsibility has been given to them. This is reducing the risks caused by the need for expatriate visas, and the health problems that can arise. The trustees do not envisage employing expatriates long-term. The Charity has been funding activities in Nepal for nearly 50 years and has acquired extensive experience of the kind of difficulties that generally arise there. The Trustees believe that the operations of Nepal Leprosy Trust (Nepal) will be able to continue.

### **Going Concern**

Taking into account reserves and anticipated recurring income and having considered the impact of the COVID 19 pandemic, the Trustees are confident that the Charity remains a going concern for at least twelve months from the date of approval of these accounts.

### **Financial Control**

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:



## **NEPAL LEPROSY TRUST**

### **TRUSTEES' ANNUAL REPORT (continued)**

1. The day-to-day availability of the expertise of a Chartered Accountant, who is the Charity's treasurer;
2. An annual budget;
3. Regular consideration by the Trustees of financial results and activities;
4. Delegation of authority and, where possible, segregation of duties; and
5. Identification and management of risks.

#### **COVID-19**

The Charity and its counterpart organisation in Nepal have been affected by the COVID-19 pandemic, but a surplus on unrestricted funds has been achieved by the Charity in the past two years and the Trustees are satisfied by the way in which COVID-19 is being navigated.

#### **Small Company Provisions**

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

#### **Plans for the Future**

The Trustees are committed to supporting the work of Nepal Leprosy Trust (Nepal) with financial and advisory support. They also want to continue to build the capacity of the Nepali Executive Board and Staff.

The Report was approved by the Trustees on 10 May 2022.

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J. Lowther

Trustee

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF NEPAL LEPROSY TRUST**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021 on pages 12 to 26.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

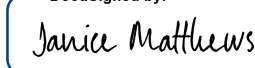
I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

**INDEPENDENT EXAMINER'S REPORT**

**TO THE TRUSTEES OF NEPAL LEPROSY TRUST (continued)**

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

DocuSigned by:  
  
634F24DE92A4471...  
Janice Matthews FCA  
Independent Examiner

Menzies LLP

Centrum House  
36 Station Road  
Egham  
Surrey  
TW20 9LF  
16-May-2022

**NEPAL LEPROSY TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating an Income and Expenditure Account)**  
**YEAR ENDED 31st DECEMBER, 2021**

			<u>Unrestricted Funds</u>	<u>Restricted</u>	<u>TOTAL</u>	<u>TOTAL</u>	
			General	Legacy	Funds	2021	2020
	Note						
		£	£	£	£	£	£
<b>INCOME AND ENDOWMENTS</b>							
<b>From:</b>							
Donations	2	63,068	-	294,731	357,799	310,495	
Legacies	2	-	11,200	-	11,200	4,637	
Investment income -							
Interest	2	2,044	-	-	2,044	2,464	
<b>Total Income</b>		65,112	11,200	294,731	371,043	317,596	
<b>EXPENDITURE ON:</b>							
Costs of raising funds		11,642	-	-	11,642	9,901	
Charitable activities	4	53,387	-	271,384	324,771	336,377	
<b>Total Expenditure</b>		65,029	-	271,384	336,413	346,278	
<b>NET INCOME/</b>							
<b>(EXPENDITURE)</b>		83	11,200	23,347	34,630	(28,682)	
<b>RECONCILIATION OF FUNDS</b>							
<b>TOTAL FUNDS BROUGHT FORWARD</b>							
		29,586	11,993	171,038	212,617	241,299	
<b>TOTAL FUNDS CARRIED FORWARD</b>							
	11	£29,669	£23,193	£194,385	£247,247	£212,617	

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The results for the year for Companies Act purposes is the same as that presented above.

The notes on pages 16 to 26 form part of these unaudited financial statements.

**NEPAL LEPROSY TRUST****BALANCE SHEET 31st DECEMBER, 2021****CHARITY NUMBER 1081952 COMPANY NUMBER 4046961**

	Note	2021	2020
		£	£
<b><u>CURRENT ASSETS</u></b>			
Debtors	9	8,581	11,811
Cash at bank and in hand		258,963	218,381
		<hr/>	<hr/>
		267,544	230,192
<b><u>CREDITORS: Amounts falling due within one year</u></b>			
Accruals and deferred income	10	(20,297)	(17,575)
		<hr/>	<hr/>
<b><u>NET ASSETS</u></b>		£247,247	£212,617
		<hr/>	<hr/>
<b><u>FUNDS</u></b>		11	
Unrestricted funds - General		29,669	29,586
- Legacy Fund		23,193	11,993
Restricted funds		194,385	171,038
		<hr/>	<hr/>
<b><u>TOTAL CHARITY FUNDS</u></b>		£247,247	£212,617
		<hr/>	<hr/>

The notes on pages 16 to 26 form part of these unaudited financial statements.

**NEPAL LEPROSY TRUST****BALANCE SHEET AT 31st DECEMBER, 2021****CHARITY NUMBER 1081952 COMPANY NUMBER 4046961 (Continued)**

For the year ended 31st December, 2021, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to smaller companies.

Responsibilities of Directors/Trustees:

a) The members have not required the charitable company to obtain an audit of its accounts for the year in question in accordance with Section 476 of the Companies Act - however, in accordance with Section 145 of the Charities Act 2011, the accounts have been examined by an Independent Examiner whose report forms part of this document.

b) The Directors/Trustees acknowledge their responsibilities for complying with the requirements of the Companies 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.

These accounts were approved by the Directors/Trustees and authorised for issue on 10 May 2022 and signed on their behalf by:

DocuSigned by:  
  
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J. Lowther

The notes on pages 16 to 26 form part of these unaudited financial statements.

**NEPAL LEPROSY TRUST****STATEMENT OF CASH FLOWS****YEAR ENDED 31st DECEMBER, 2021**

	2021 £	2020 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	34,630	(28,682)
Interest income shown in investing activities	(2,044)	(2,464)
Increase in debtors	3,230	(313)
Increase in creditors	2,722	2,239
	<hr/>	<hr/>
Net cash generated from (used by) operating activities	38,538	(29,220)
<i>Cash flows from investing activities</i>		
Interest Received	2,044	2,464
	<hr/>	<hr/>
Net increase/(decrease) in cash and cash equivalents in the year	40,582	(29,756)
Cash and cash equivalents brought forward	218,381	245,137
	<hr/>	<hr/>
Cash and cash equivalents carried forward	£258,963	£218,381
	<hr/>	<hr/>

The notes on pages 16 to 26 form part of these unaudited financial statements.

**NEPAL LEPROSY TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**

**31st DECEMBER, 2021**

**1. Accounting Policies**

**(a) Basis of Preparation**

Nepal Leprosy Trust is a charitable company limited by guarantee incorporated in England and Wales. Details of its activities and Registered Office are disclosed in the Legal and Administrative information and Trustees' Annual Report on pages 2 to 9.

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.

The financial statements are presented in sterling, which is the functional currency of the Charity and rounded to the nearest £.

The Charity meets the definition of a public benefit entity under FRS 102. Assets and Liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Charity has availed itself of the Companies Act 2006 and adopted the Companies Act format to reflect the special nature of the Charity's activities. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies - see note 1(k).

Having considered the ongoing impact of the COVID 19 pandemic, the Trustees have no concerns about the ability of the Charity to continue as a going concern for at least the next 12 months. The accounts are accordingly prepared on the Going Concern basis.

A summary of the most important accounting policies, which have been applied consistently, are set out below.

**(b) Company Status**

The Charity is a company limited by guarantee. The Members of the Company are the Trustees named on Page 2. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.



**NEPAL LEPROSY TRUST****NOTES TO THE FINANCIAL STATEMENTS (continued)****31st DECEMBER, 2021****(c) Funds Structure**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

During 2008, the Charity received a legacy from the estate of a long-standing supporter, Miss Muriel Western. The Trustees designated this gift in a separate legacy fund, which will be used for specific purposes as approved by the Trustees. Other legacies have been added to this fund, including £52,000 in 2012 from Ron Roberts.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for specific purposes. The aim and use of each restricted fund is set out in the notes to the unaudited financial statements.

**(d) Financial Instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**(e) Income**

All income is included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Grant income is recognised in the unaudited financial statements once grants have been formally notified in writing and once the amount receivable is certain and any preconditions concerning the grant have been fulfilled. Grant income relating to future periods is carried forward in creditors as deferred income. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received.

Gifts in kind, with the exception of time given by volunteers, are included at valuation and recognised as income when they are distributed to the projects. No amounts have been included in the unaudited financial statements for gifts in kind or for services donated by volunteers.

**(f) Transactions in Foreign Currencies**

Transactions in foreign currencies are translated at current exchange rates. Assets and liabilities denominated in foreign currencies at the financial year-end are translated at current rates unless there is a relevant contracted rate. The exchange gains in the year totalled £1,536 (2020 – losses of £93).

**NEPAL LEPROSY TRUST****NOTES TO THE FINANCIAL STATEMENTS (continued)****31st DECEMBER, 2021****(g) Expenditure**

All expenditure, which includes irrecoverable VAT, is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources, using time spent on each activity as a guide.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the Charity's activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity and include project management costs. Governance costs are those incurred in connection with the strategic management of the Charity and compliance with constitutional and statutory requirements.

**(h) Basis of Recognition of Liabilities and Grants Payable**

Liabilities are recognised as resources expended 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 aggregating the costs relating to each category.

Grants payable are payments made to third parties in furtherance of the charitable objectives of the Charity. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the Charity. 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.

**(i) Pension Scheme**

The Charity operates a funded, money purchase pension scheme. Pension costs are charged to the SOFA in the financial period in which they are incurred. The employer contribution is 5% of gross pay.

**(j) Intangible Income**

Christian Fellowship in Richmond, a UK Registered Charity provides administrative and other support by employees and the use of its facilities to the Charity. It is not practical to quantify this support in financial terms and it is not significant relative to the facilities used and roles and responsibilities of the individuals concerned.

**NEPAL LEPROSY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**31st DECEMBER, 2021**

**(k) Estimates and Judgements**

In the opinion of the Trustees there are no accounting estimates or significant judgments that have a material impact on the financial statements.

**2. Income**

	2021	2020
	£	£
Individuals	91,191	102,330
Legacies	11,200	4,637
Charitable foundations	203,965	120,279
Corporate donors	62,643	87,161
Interest	2,044	2,464
Coronavirus Job Retention Scheme	-	725
	<hr/>	<hr/>
	£371,043	£317,596
	<hr/>	<hr/>

Income includes amounts received from overseas of £153,401 (2020 - £102,093) and amounts received from related parties of £4,365 (2020 - £10,784).

**NEPAL LEPROSY TRUST****NOTES TO THE FINANCIAL STATEMENTS (continued)****31st DECEMBER, 2021**3. SOFA with full comparatives

	<b><u>2021</u></b>	<b><u>2021</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>	<b><u>2020</u></b>	<b><u>2020</u></b>
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
<b>INCOME AND ENDOWMENTS</b>						
<b>From:</b>						
Donations	63,068	294,731	357,799	57,794	252,701	310,495
Legacies	11,200	-	11,200	4,637	-	4,637
Investment income -						
Interest	2,044	-	2,044	2,464	-	2,464
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Income</b>	76,312	294,731	371,043	64,895	252,701	317,596
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURE ON:</b>						
Costs of raising funds	11,642	-	11,642	9,901	-	9,901
Charitable activities	53,387	271,384	324,771	51,682	284,695	336,377
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total Expenditure</b>	65,029	271,384	336,413	61,583	284,695	346,278
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET INCOME/ (EXPENDITURE)</b>	11,283	23,347	34,630	3,312	(31,994)	(28,682)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>RECONCILIATION OF FUNDS</b>						
<b>TOTAL FUNDS BROUGHT FORWARD</b>	41,579	171,038	212,617	38,267	203,032	241,299
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS CARRIED FORWARD</b>	£52,862	£194,385	£247,247	£41,579	£171,038	£212,617
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**NEPAL LEPROSY TRUST****NOTES TO THE FINANCIAL STATEMENTS (continued)****31st DECEMBER, 2021****4. Charitable Expenditure**

		Unrestricted Funds	Restricted Funds	Total Funds 2021 £	Total Funds 2020 £
Grants payable	Note 5	14,475	271,384	285,859	297,370
Support costs	Note 6	38,912	-	38,912	39,007
		_____	_____	_____	_____
Total Charitable Expenditure		£53,387	£271,384	£324,771	£336,377

**5. Grants Payable**

		Unrestricted Funds	Restricted Funds	Total Funds 2021	Total Funds 2020
The grants payable in the year comprise 6 payments (2020 - 4) to Nepal Leprosy Trust (Nepal) for leprosy and stigma elimination work in Nepal					
		£14,475	£271,384	£285,859	£297,370
		_____	_____	_____	_____
				2021 £	2020 £

**6. Support Costs**

Salaries, pension contributions and national insurance		32,218	31,588
Other costs		4,894	5,739
Governance costs	Note 7	1,800	1,680
		_____	_____
		£38,912	£39,007
		_____	_____

Note: The above support costs relate to grant-making activities and exclude the proportion of salaries that relate to fund-raising.

**7. Governance costs**

Independent Examiner's fees		1,800	1,680
Trustees' travel		-	-
		_____	_____
		£1,800	£1,680
		_____	_____

# NEPAL LEPROSY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued)

31st DECEMBER, 2021

### 8. Trustees and Employees

	2021	2020
	£	£
Salaries	34,604	33,926
Social Security costs	-	-
Pension contributions	1,194	1,170
Allowances and expenses of those working in Nepal	5,252	7,132
	<hr/>	<hr/>
	£41,050	£42,228
	<hr/>	<hr/>

The average number of employees was four (2020 – four). No employee was paid in excess of £60,000 per annum. No remuneration was paid to any of the Trustees nor any person connected with them in 2020 or 2021. Necessary trustees' travel expenses of £nil (2019 - £nil) were paid by the Charity for relevant charitable activities. The key management personnel compensation was £23,875 (2020 – £23,407).

### 9. Debtors

	2021	2020
	£	£
Tax refundable	8,581	11,727
Prepayments and accrued income	-	-
Other debtors	-	84
	<hr/>	<hr/>
	£8,581	£11,811
	<hr/>	<hr/>

### 10. Creditors

	2021	2020
	£	£
Other creditors	18,557	15,895
Accruals	1,740	1,680
	<hr/>	<hr/>
	£20,297	£17,575
	<hr/>	<hr/>

Creditors includes £15,945 (2020 - £12,513) due to Nepal Leprosy Trust (Ireland).

**NEPAL LEPROSY TRUST****NOTES TO THE FINANCIAL STATEMENTS (continued)****31st DECEMBER 2021****11. Funds**

Unrestricted funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

During 2008, the Charity received a legacy from the estate of a long-standing supporter, Miss Muriel Western. The Trustees designated this gift in a separate legacy fund, which will be used for specific purposes as approved by the Trustees. Other legacies have been added to this fund, including £52,000 in 2012 from Ron Roberts.

Unrestricted funds:

	Balance at 1st January, 2021 £	Movements in Resources		Balance at 31st December, 2021 £
		Income £	Expenditure £	
General	29,586	65,112	(65,029)	29,669
Legacies	11,993	11,200	-	23,193
	<hr/>	<hr/>	<hr/>	<hr/>
	£41,579	£76,312	(£65,029)	£52,862
	<hr/>	<hr/>	<hr/>	<hr/>

Unrestricted funds:

	Balance at 1st January, 2020 £	Movements in Resources		Balance at 31st December, 2020 £
		Income £	Expenditure £	
General	28,236	60,258	(58,908)	29,586
Legacies	10,031	4,637	(2,675)	11,993
	<hr/>	<hr/>	<hr/>	<hr/>
	£38,267	£64,895	(£61,583)	£41,579
	<hr/>	<hr/>	<hr/>	<hr/>

**NEPAL LEPROSY TRUST****NOTES TO THE FINANCIAL STATEMENTS (continued)****31st DECEMBER, 2021****11. Funds (continued)**

Restricted funds are funds which have been given for particular purposes and projects.

Restricted funds:

	Balance at 1st January, 2021 £	Movements in Resources		Balance at 31st December, 2021 £
		Income £	Expenditure £	
Lalgadh Leprosy Hospital & Services Centre	139,523	272,173	(248,261)	163,435
Child Sponsorship	10,773	13,359	(13,555)	10,577
Women's Projects	1,288	2,929	(4,117)	100
Maya Leprosy Fund	10,053	-	(1,797)	8,256
Other	9,401	6,270	(3,654)	12,017
	<hr/>	<hr/>	<hr/>	<hr/>
	£171,038	£294,731	(£271,384)	£194,385
	<hr/>	<hr/>	<hr/>	<hr/>

Restricted funds (comparative figures for 2020)

	Balance at 1st January, 2020 £	Movements in Resources		Balance at 31st December, 2020 £
		Income £	Expenditure £	
Lalgadh Leprosy Hospital & Services Centre	178,063	201,972	(240,512)	139,523
Child Sponsorship	10,462	14,378	(14,067)	10,773
Women's Projects	-	27,359	(26,071)	1,288
Maya Leprosy Fund	12,204	-	(2,151)	10,053
Other	2,303	8,992	(1,894)	9,401
	<hr/>	<hr/>	<hr/>	<hr/>
	£203,032	£252,701	(£284,695)	£171,038
	<hr/>	<hr/>	<hr/>	<hr/>

Lalgadh Leprosy Hospital & Services Centre is a project founded and supported by Nepal Leprosy Trust, situated in South-east Nepal.

Under the Child Sponsorship Scheme, donors make contributions of £15 per month, which are used for the support of needy children.



**NEPAL LEPROSY TRUST****NOTES TO THE FINANCIAL STATEMENTS (continued)****31st DECEMBER, 2021****11. Funds (continued)**

The Charity sponsors a number of support projects for destitute and disadvantaged women in Nepal.

The Charity has been actively involved in relief work following the earthquakes in 2015, the flooding in 2017 and the pandemic in 2020.

A grant has been received from a registered charity called “Maya Leprosy Fund”, to be used for specified charitable projects in Nepal.

**12. Analysis of Net Assets Between Funds**

As at 31 December, 2021

	Current Assets	Current Liabilities	Net Assets
	£	£	£
Unrestricted Funds	49,966	(20,297)	29,669
Legacy Fund	23,193	-	23,193
Restricted Funds	194,385	-	194,385
	<hr/>	<hr/>	<hr/>
	£267,544	£(20,297)	£247,247
	<hr/>	<hr/>	<hr/>

As at 31 December, 2020

	£	£	£
Unrestricted Funds	47,161	(17,575)	29,586
Legacy Fund	11,993	-	11,993
Restricted Funds	171,038	-	171,038
	<hr/>	<hr/>	<hr/>
	£230,192	£(17,575)	£212,617
	<hr/>	<hr/>	<hr/>

**NEPAL LEPROSY TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**31st DECEMBER, 2021**

13. Recognised Gains

The Charity had no recognised gains or losses in 2020 or 2021, other than the Net Income. All assets are stated at historical cost. Therefore, no adjustments are required to the reported results, which are stated on an unmodified historical cost basis.

14. Analysis of Changes in Debt

	Balance at 1st January, 2021 £	Cash flows £	Other non-cash changes £	Balance at 31st December, 2021 £
Cash	83	-	-	83
Cash equivalents	218,298	40,582	-	258,880
	<hr/>	<hr/>	<hr/>	<hr/>
	£218,381	40,582	-	£258,963
	<hr/>	<hr/>	<hr/>	<hr/>