

NEPAL LEPROSY TRUST

COMPANY LIMITED BY GUARANTEE

ANNUAL REPORT

AND

FINANCIAL STATEMENTS

31st December, 2023

CHARITY NUMBER 1081952

COMPANY NUMBER 4046961

NEPAL LEPROSY TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

I. Beech
E. Jordan
S. Wells
M. Wetherall
P. Shah - appointed 14 January 2023
V. Shah - appointed 14 January 2023
M. Davies - resigned 12 June 2023
M. Ghimire - resigned 12 June 2023
J. Lowther - resigned 12 June 2023

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, Magna House, 18-32 London Road, Staines-upon-Thames, TW18 4LP.

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, 2023.

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 The Company Secretary, James Lowther, and the General Manager of Nepal Leprosy Trust in the UK Office who is familiar with the projects in Nepal and is in regular contact 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 usually meets with the Nepal Executive Board and/or CEO whenever they travel to Nepal, and this is attempted at least once a year.

The UK staff comprises unpaid volunteers with the exception of two part-time staff and a freelance bookkeeper.

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. 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 Trustees and keeps them abreast of important issues, and updates them with 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 American Leprosy Missions, Nepal Leprosy Trust Ireland, The Leprosy Mission and International Nepal Fellowship.

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 staff 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 the 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.

The Charity funds income-generation and social welfare projects in Kathmandu. Projects include workshops for leather, fabric and felt products. 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 medical, 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.

The Charity enjoys links with a number of organisations in the UK, Nepal and elsewhere which 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 support 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, acting as a channel for funds, and liaising with donors and supporters.
2. Providing accountability for Nepal Leprosy Trust (Nepal) in the eyes of donors.

NEPAL LEPROSY TRUST

TRUSTEES' ANNUAL REPORT (continued)

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).

In Kathmandu, handicraft export orders continued to be secured. Employment was provided for 43 people (41 in the previous year) and 75 needy individuals (95 in the previous year) benefited from social support schemes.

In 2023, LLHSC received 94,750 out-patient visits (94,813 in the previous year) and identified 1,050 new cases of leprosy (1,042 in the previous year). These numbers are similar to 2022 and reflect the continuing demand for services from LLHSC, which 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, and been presented at international conferences.

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

1. Funding: the Charity achieved an unrestricted fund surplus. The 2024 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.
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 £354,684 to £388,043. This 9% increase resulted mainly from increased income from legacies and charitable foundations. The principal funding sources are American Leprosy Missions and Chartsand Limited.

Legacy Fund

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

NEPAL LEPROSY TRUST

TRUSTEES' ANNUAL REPORT (continued)

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 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 2023, this would be £29,623. The Trustees consider that the unrestricted reserves at the year-end of £33,942 (2022 - £37,402) were sufficient, being in excess of the target.

	2023	2022
	£	£
Total reserves	313,847	264,405
Less: restricted reserves	(213,358)	(193,810)
Less: designated reserves, legacy fund	(66,547)	(33,193)
	<hr/>	<hr/>
	£33,942	£37,402
	<hr/>	<hr/>
Target unrestricted reserves	£29,623	£33,331
	<hr/>	<hr/>

Risk Assessment

The major risks to which the Charity is 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 they have taken on more responsibility. This is reducing the risks arising from the need for expatriate visas, and the health problems that can arise in expatriates. The Trustees do not envisage employing expatriates long-term. The Charity has been funding activities in Nepal for more than 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.

NEPAL LEPROSY TRUST

TRUSTEES' ANNUAL REPORT (continued)

Going Concern

Taking into account reserves and anticipated recurring income, 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:

1. The day-to-day availability of the expertise of a retired Accountant, who supports the book-keeper;
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.

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 15 April 2024.

Elizabeth Jordan

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 2023 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.

This report is made solely to the Company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Company's trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's trustees as a body, for my work or for this report.

Janice Matthews FCA
Independent Examiner

Menzies LLP

Magna House
18-32 London Road
Staines-upon-Thames
TW18 4BP

NEPAL LEPROSY TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(incorporating an Income and Expenditure Account)
YEAR ENDED 31st DECEMBER, 2023

	Note	Unrestricted Funds General	Legacy	Restricted Funds	TOTAL 2023	TOTAL 2022
		£	£	£	£	£
INCOME AND ENDOWMENTS						
From:						
Donations	2	67,404	-	279,033	346,437	337,542
Legacies	2	-	37,710	-	37,710	10,200
Exchange gain	2	-	-	-	-	4,853
Investment income - Interest	2	5,657	-	-	5,657	2,089
Total Income		73,061	37,710	279,033	389,804	354,684
EXPENDITURE ON:						
Costs of raising funds		12,772	-	-	12,772	12,338
Charitable activities	4	63,749	4,356	259,485	327,590	325,188
Total Expenditure		76,521	4,356	259,485	340,362	337,526
NET INCOME/ (EXPENDITURE)		(3,460)	33,354	19,548	49,442	17,158
RECONCILIATION OF FUNDS						
TOTAL FUNDS BROUGHT FORWARD		37,402	33,193	193,810	264,405	247,247
TOTAL FUNDS CARRIED FORWARD	11	£33,942	£66,547	£213,358	£313,847	£264,405

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, 2023****CHARITY NUMBER 1081952 COMPANY NUMBER 4046961**

	Note	2023	2022
		£	£
<u>CURRENT ASSETS</u>			
Debtors	9	11,315	10,926
Short-term investments at bank		152,168	147,195
Cash at bank and in hand		181,453	127,868
		<hr/>	<hr/>
		344,936	285,989
<u>CREDITORS: Amounts falling due within one year</u>			
Accruals and deferred income	10	(31,089)	(21,584)
		<hr/>	<hr/>
<u>NET ASSETS</u>		£313,847	£264,405
		<hr/>	<hr/>
<u>FUNDS</u>			
	11		
Unrestricted funds - General		33,942	37,402
- Legacy Fund		66,547	33,193
Restricted funds		213,358	193,810
		<hr/>	<hr/>
<u>TOTAL CHARITY FUNDS</u>		£ 313,847	£264,405
		<hr/>	<hr/>

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

NEPAL LEPROSY TRUST**BALANCE SHEET AT 31st DECEMBER, 2023****CHARITY NUMBER 1081952 COMPANY NUMBER 4046961 (Continued)**

For the year ended 31st December, 2023, 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 15 April 2024 and signed on their behalf by:

Elizabeth Jordan

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, 2023

	2023 £	2022 £
Reconciliation of net movement in funds to net cash flow from operating activities		
Net movement in funds	49,442	17,158
Interest income shown in investing activities	(5,657)	(2,089)
(Increase)/decrease in debtors	(389)	(2,345)
Increase in creditors	9,505	1,287
	<hr/>	<hr/>
Net cash generated from (used by) operating activities	52,901	14,011
<i>Cash flows from/(to) investing activities</i>		
Interest Received	5,657	2,089
Short-term investments	(4,973)	(2,050)
	<hr/>	<hr/>
Net increase in cash and cash equivalents in the year	53,585	14,050
Cash and cash equivalents brought forward	127,868	113,818
	<hr/>	<hr/>
Cash and cash equivalents carried forward	£181,453	£127,868
	<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, 2023

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).

The trustees have considered the financial position of the charity and given cash available and anticipated outgoings, do not consider that there are any concerns about the ability of the Charity to continue as a going concern for at least 12 months from the date of approval of these financial statements. 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, 2023

(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 losses in the year totalled £1,761 (2022 – gains of £4,853).

NEPAL LEPROSY TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

31st DECEMBER, 2023

(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 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.

NEPAL LEPROSY TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

31st DECEMBER, 2023

(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

	2023	2022
	£	£
Individuals	101,452	127,171
Legacies	37,710	10,200
Charitable foundations	153,155	123,445
Corporate donors	91,830	86,926
Interest	5,657	2,089
Exchange gain	-	4.853
	<hr/>	<hr/>
	£389,804	£354,684
	<hr/>	<hr/>

Income includes amounts received from overseas of £122,861 (2022 - £81,577) and amounts received from related parties of £13,595 (2022 - £4,849).

NEPAL LEPROSY TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

31st DECEMBER, 2023

3. SOFA with full comparatives

	<u>2023</u>	<u>2023</u>	<u>2023</u>	<u>2022</u>	<u>2022</u>	<u>2022</u>
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
INCOME AND ENDOWMENTS						
From:						
Donations	67,404	279,033	346,437	67,253	270,289	337,542
Legacies	37,710	-	37,710	10,200	-	10,200
Exchange gain	-	-	-	4,853	-	4,853
Investment income - Interest	5,657	-	5,657	2,089	-	2,089
Total Income	110,771	279,033	389,804	84,395	270,289	354,684
EXPENDITURE ON:						
Costs of raising funds	12,772	-	12,772	12,338	-	12,338
Charitable activities	68,105	259,485	327,590	54,324	270,864	325,188
Total Expenditure	80,877	259,485	340,362	66,662	270,864	337,526
NET INCOME/ (EXPENDITURE)	29,894	19,548	49,442	17,733	(575)	17,158
RECONCILIATION OF FUNDS						
TOTAL FUNDS BROUGHT FORWARD	70,595	193,810	264,405	52,862	194,385	247,247
TOTAL FUNDS CARRIED FORWARD	£100,489	£213,358	£313,847	£70,595	£193,810	264,405

NEPAL LEPROSY TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

31st DECEMBER, 2023

4. Charitable Expenditure

		Unrestricted Funds	Restricted Funds	Total Funds 2023 £	Total Funds 2022 £
Grants payable	Note 5	19,871	259,485	279,356	283,564
Support costs	Note 6	46,473	-	46,473	41,624
Exchange loss		1,761	-	1,761	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total Charitable Expenditure		£68,105	£259,485	£327,590	£325,188

5. Grants Payable

		Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
The grants payable in the year comprise					
12 payments (2022 - 9) to Nepal					
Leprosy Trust (Nepal) for leprosy and					
stigma elimination work in Nepal		£19,871	£259,485	£279,356	£283,564
		<hr/>	<hr/>	<hr/>	<hr/>
				2023	2022
				£	£

6. Support Costs

Salaries, pension contributions and national insurance		36,200	34,151
Other costs		8,083	5,553
Governance costs	Note 7	2,190	1,920
		<hr/>	<hr/>
		£46,473	£41,624

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

		2023	2022
		£	£
7. <u>Governance costs</u>			
Independent Examiner's fees		2,190	1,920
Trustees' travel		-	-
		<hr/>	<hr/>
		£2,190	£1,920

NEPAL LEPROSY TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

31st DECEMBER, 2023

8. Trustees and Employees

	2023	2022
	£	£
Salaries	38,881	36,680
Social Security costs	-	-
Pension contributions	1,341	1,265
Allowances and expenses of those working in Nepal	6,324	6,032
	<hr/>	<hr/>
	£46,546	£43,977
	<hr/>	<hr/>

The average number of employees was four (2022 – 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 2022 or 2023. Necessary trustees' travel expenses of £nil (2022 - £nil) were paid by the Charity for relevant charitable activities. The key management personnel compensation was £28,167 (2022 – £26,572).

9. Debtors

	2023	2022
	£	£
Tax refundable	9,315	8,976
Prepayments and accrued income	2,000	1,950
	<hr/>	<hr/>
	£11,315	£10,926
	<hr/>	<hr/>

10. Creditors

	2023	2022
	£	£
Other creditors	29,079	19,754
Accruals	2,010	1,830
	<hr/>	<hr/>
	£31,089	£21,584
	<hr/>	<hr/>

Creditors includes £27,780 (2022 - £18,455) due to Nepal Leprosy Trust (Ireland).

NEPAL LEPROSY TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

31st DECEMBER 2023

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, 2023 £	Movements in Resources		Balance at 31st December, 2023 £
		Income £	Expenditure £	
General	37,402	71,300	(74,760)	33,942
Legacies	33,193	37,710	(4,356)	66,547
	<hr/>	<hr/>	<hr/>	<hr/>
	£70,595	£109,010	(£79,116)	£100,489
	<hr/>	<hr/>	<hr/>	<hr/>

Unrestricted funds:

	Balance at 1st January, 2022 £	Movements in Resources		Balance at 31st December, 2022 £
		Income £	Expenditure £	
General	29,669	74,395	(66,662)	37,402
Legacies	23,193	10,000	-	33,193
	<hr/>	<hr/>	<hr/>	<hr/>
	£52,862	£84,395	(£66,662)	£70,595
	<hr/>	<hr/>	<hr/>	<hr/>

NEPAL LEPROSY TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

31st DECEMBER, 2023

11. Funds (continued)

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

Restricted funds:

	Balance at 1st January, 2023 £	Movements in Resources		Balance at 31st December, 2023 £
		Income £	Expenditure £	
Lalgadh Leprosy Hospital & Services Centre	116,986	239,345	(237,282)	119,049
Child Sponsorship	14,179	13,872	(10,873)	17,178
Women's Projects	-	6,497	(5,406)	1,091
Maya Leprosy Fund	6,932	-	(323)	6,609
Other	55,713	19,319	(5,601)	69,431
	<hr/>	<hr/>	<hr/>	<hr/>
	£193,810	£279,033	(£259,485)	£213,358
	<hr/>	<hr/>	<hr/>	<hr/>

Restricted funds (comparative figures for 2022)

	Balance at 1st January, 2022 £	Movements in Resources		Balance at 31st December, 2022 £
		Income £	Expenditure £	
Lalgadh Leprosy Hospital & Services Centre	163,435	193,424	(239,873)	116,986
Child Sponsorship	10,577	12,792	(9,190)	14,179
Women's Projects	100	4,384	(4,484)	-
Maya Leprosy Fund	8,256	-	(1,324)	6,932
Other	12,017	59,689	(15,993)	55,713
	<hr/>	<hr/>	<hr/>	<hr/>
	£194,385	£270,289	(£270,864)	£193,810
	<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, 2023

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, 2023

	Current Assets	Current Liabilities	Net Assets
	£	£	£
Unrestricted Funds	65,031	(31,089)	33,942
Legacy Fund	66,547	-	66,547
Restricted Funds	213,358	-	213,358
	<hr/>	<hr/>	<hr/>
	£344,936	£(31,089)	£313,847
	<hr/>	<hr/>	<hr/>

As at 31 December, 2022

	£	£	£
Unrestricted Funds	58,986	(21,584)	37,402
Legacy Fund	33,193	-	33,193
Restricted Funds	193,810	-	193,810
	<hr/>	<hr/>	<hr/>
	£285,989	£(21,584)	£264,405
	<hr/>	<hr/>	<hr/>

NEPAL LEPROSY TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

31st DECEMBER, 2023

13. Recognised Gains

The Charity had no recognised gains or losses in 2022 or 2023, 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 Cash

	Balance at 1st January, 2023 £	Cash flows £	Other non-cash changes £	Balance at 31st December, 2023 £
Cash at bank and in hand	127,868	53,585	-	181,453
	<hr/>	<hr/>	<hr/>	<hr/>
	£127,868	53,585	-	£181,453
	<hr/>	<hr/>	<hr/>	<hr/>