

2022 Annual Report



Annual report and financial statements for Reaching the Unreached
For the year ended March 2022

Charity No 1091295
Company Registration No 04217700

Contents

| | |
|---|----|
| Chair's Introduction | 3 |
| Aims and objectives | 4 |
| Structure, governance and management | 4 |
| Review of developments, activities and achievements | 6 |
| Finances, investment and reserves policies..... | 9 |
| Responsibilities of the trustees | 11 |
| Report of the independent examiner | 12 |
| Statement of financial activities | 13 |
| Balance sheet | 14 |
| Statement of cash flows | 15 |
| Notes to the financial statements | 16 |

Administrative details

| | |
|-----------|---|
| Office | 16 Glasshouse Studios, Fryern Court Road, Fordingbridge, Hants, SP6 1QX |
| Telephone | 01425 657321 |
| Email | info@rtu.org.uk |
| Web | www.rtu.org.uk |



RTU-India



| | |
|----------------------|---|
| Registered Office | 16 Glasshouse Studios, Fryern Court Road, Fordingbridge, Hants, SP6 1QX |
| Independent Examiner | Jeremy Kitson, Prime Accountants, Corner Oak, 1 Homer Road, Solihull, B91 3QG |
| Bankers | Unity Trust Bank, 9 Brindley Place, Birmingham, B1 2HB |

Directors and officers

Reaching the Unreached (RTU) is a company limited by guarantee (Company No 4217700) and has adopted the Memorandum and Articles of Association Model of the Charity Law Foundation. It was incorporated on 16th May 2001 and obtained charitable status on 21st March 2002 (Charity No 1091295). In 2002 it took over all of the operations of the unincorporated Charity of the same name established in 1983. The directors of the Charitable Company (the Charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees who served the Charity during the year and since the year end were as follows:

| | |
|----------------------|--|
| Amy Anderson | |
| Ian Brady | Chair and Executive Group Member |
| Kenneth Brackenridge | |
| Margaret Davies | Executive Group Member |
| John Deeney | |
| Sean Henry | Treasurer and Executive Group Member |
| Andrew Moore | |
| Max Philbrick | |
| James Playfair | Executive Group Member |
| Scott Preston | Safeguarding Lead and Executive Group Member |
| Thomas Williams | Vice Chair and Executive Group Member |

Chair's introduction

For almost 50 years Reaching the Unreached (RTU-I), one of our partners in South India, has served the poorest rural communities in Theni and Dindigul Districts, north-west of the city of Madurai, in Tamil Nadu.

Like many similar charities, RTU-I was forced to abandon its usual activities almost overnight during the Covid-19 pandemic. They rapidly concentrated their resources on emergency response, assisting the many families and displaced people who urgently needed practical, direct support simply to survive. Thanks to the diligent and clear-sighted leadership of the Director, Father Antony Paulsamy, and his tireless and dedicated staff, RTU-I met these challenges admirably.

As I reported last year, they also took the opportunity presented by the enforced suspension of core work to review their strategic direction and streamline their ways of working. They were therefore well-placed to act quickly and effectively as they gradually resumed their core programmes. We believe they have emerged from the crisis stronger than ever.

RTU-I is delighted and relieved to be able to welcome new children to the Children's Villages and hostels once again. Those who have only ever known a life of poverty were especially hard hit by the pandemic. Many lost their parents or carers or were otherwise displaced or rendered homeless in the chaos of lockdown. We rejoice that RTU-I once again provide a safe haven for the most vulnerable of these girls and boys. They remain, as always, the beating heart of RTU-I's work.

As pupils return to their schools, they are also taking steps to ensure that every child's educational attainment is affected as little as possible by the long periods when the schools were closed in Tamil Nadu. Additional teaching for children who have fallen behind their peers and those with specific educational needs, together with improvements to the rural Evening Study Centres, are just two of the initiatives that are enabling them to re-establish regular school attendance, rebuild students' confidence and abilities, and equip them to make the most of their future life opportunities.

Meanwhile, RTU-I have successfully re-started the housebuilding and water programmes, building safe homes for the very poorest families, and digging wells for communities who lack clean water. Our well-drilling activities have never been needed more, as climate change subjects large parts of India to increasingly frequent and extreme heatwaves and scant rainy seasons followed, inevitably, by life-threatening drought.

In terms of finances, we were unable to spend most of the designated reserves in our Covid Recovery Fund because of the second wave of Covid-19 in India at the beginning of the 2021-22 financial year which again meant that many of the programmes were suspended due to further lockdowns. The total funds in our balance sheet therefore exceed our reserves policy at year end. However, in the current year ending in March 2023, our reserves are predicted to decrease substantially as we provide more funding for RTU-I's activities and in expectation of continued exchange rate volatility.

As we move forward, we owe a huge debt of thanks to our dedicated and generous supporters, who helped us to continue to support our work throughout the pandemic. Our particular thanks go to the individuals, church groups and charitable trusts we rely on for donations.

All of us who are involved with, and support RTU-I's work continue to draw strength from the founder and friend, Brother James Kimpton, who touched so many lives with his steadfast faith and pure heart. We remember him with profound admiration and gratitude for all he did to reach out to very marginalised people.

Thank you for reading this report and joining us on the next stage of our journey.



Ian Brady
Chair

The trustees are pleased to present our report for the year ended 31st March 2022.

Aims and objectives

Charitable Aims

The purpose of the Charity, as laid out in the Memorandum and Articles of Association, is to relieve poverty, advance education and protect health amongst persons living in under-developed countries (particularly in respect of refugees and those living in rural areas).

The key objectives of the Charity are:

- to provide funding and other practical support to relieve poverty through working with NGOs in South India where the trustees have confidence in the ethos and capabilities of the local management team, and where structures, policies and procedures are in place to ensure a high standard of service to beneficiaries
- to raise funds, and maximise the funds available for beneficiaries by ensuring that fundraising, management and administration costs are kept under control and provide value for money
- to stimulate continuing, secure and long-term support for poverty relief through channels in South India, the international community and from UK supporters and institutions.

How we achieve our objectives

The Charity achieves its objectives primarily through the funding and support of a wide range of services at Reaching the Unreached in India (RTU-I), a fully independent sister organisation located under the Palani Hills in the state of Tamil Nadu, South India, registered as a Society in 1978. We also provide support to other organisations undertaking similar work in South India in consultation with RTU-I, namely Jeevan Jyothi Hospice and the Rural Area Development Trust (RUADT).

RTU in India is a highly successful and far-reaching, grassroots organisation offering a range of services to empower some of the most marginalised and disadvantaged people in rural South India from scheduled castes, particularly focusing its services on children. It is a secular charity founded on Christian principles and it is fully inclusive, providing support to people in need of all backgrounds and all faiths. It obtains direct funding from international grant-making organisations to cover some of its activities, and donations from individuals, foundations and corporates in India and overseas. It uses the funds raised by RTU-UK to fund new initiatives and the ongoing provision of services to beneficiaries not covered by other funding sources. The trustees work closely with RTU in India and have an in-depth knowledge of its work.

Achieving public benefit is a fundamental driver of the way the trustees approach their work. The trustees have due regard to guidance published by the Charity Commission on this and recognise that, as the actions to improve the lives of beneficiaries takes place in India, it requires us to adopt a particular approach to ensure that the funds we devote to achieving our objectives are used effectively.

Structure, governance and management

Organisational Structure

The trustees have appointed an Executive Group responsible for the management of the Charity, approval of unbudgeted expenditure up to an agreed limit and overseeing communication with Reaching the Unreached and our partner charities in India. The Executive Group holds meetings several times a year and reports to the trustees. Full Trustees' Meetings are held three times a year. The day-to-day work is subcontracted to the UK Co-ordinator, Mo Houlden, and other consultants as and when needed.

Recruitment, Appointment, Induction of Trustees

The trustees regularly look at existing skills and experience and new trustees are recruited to ensure the trustee board has a broad range of management experience to meet the needs of RTU and its strategic aims. The induction process for new trustees includes an information pack, and meetings covering the history, finances, longer term strategies and governance arrangements of the Charity, as well as the roles and responsibilities of trustees. New trustees are encouraged to make a visit to RTU in India within a year of appointment if they have not recently been there.

Trustees serve for an initial 10-year term on first appointment, and then for 5-year terms on any subsequent re-appointment. The Chair and other office-bearers are appointed for 5-year terms, which take precedence over (i.e. allow an extension of) a term as trustee.

Risk Review

Each year the trustees review and update the risk register which identifies all key perceived risks to the organisation and agrees actions to mitigate those risks. This last took place in October 2021. Generally, the trustees are satisfied that the Charity addresses the major risks faced and that adequate operating systems and procedures are in place, both within RTU-UK and RTU-I and the other 'partner' NGO's we fund, to mitigate those risks to an acceptable standard. The trustees are confident that the financial procedures and accountancy standards of our partners are of the highest standard, and that anti-fraud and corruption measures are strictly adhered to.

The Treasurer reports on invested reserves, cashflow and exchange rate movements at each Trustees' Meeting, with recommendations when appropriate. Other risks are mitigated by matching our own vision and objectives to those of RTU in India and the need of the people it serves; reviewing our governance and structure to keep the Board of Trustees effective; and maintaining our focus on fundraising as a core objective of the Charity in the UK. Trustees also regularly review our own safeguarding and bribery policies and procedures, and those of the organisations we fund in India. The risks associated with exchange rate fluctuations are also considered and more information on this is provided below.

Coronavirus response

In the light of the coronavirus pandemic, the trustees reviewed the financial risks to the Charity and believe that the Charity has sufficient funds to operate as normal. In fact, our supporters have been very generous in their response to the situation faced by the beneficiaries in India and the trustees are very grateful for their generosity during this time. Trustees have been flexible in allowing RTU-I and other partner NGOs to use unrestricted funds to adapt their services to meet the needs of beneficiaries, particularly those affected by the first and second wave of Covid-19 and subsequent lockdowns in India over the past two years which left many families destitute. Many of the programmes, particularly the housebuilding, well-drilling activities, and outreach health and educational work, were put on hold and the Charity kept funds in restricted and designated funds for when these services resumed. Funds were also put in a Covid Recovery Fund which will enable services to be adapted and developed in the aftermath of the lockdowns.

The trustees have maintained their contact with RTU in India and the Director, Fr Antony, has been involved in online trustees meetings to update the trustees about changes in operations, future planning for the redesign of services, budget monitoring and funding implications. The last visit by a trustee to the partner organisations in India prior to the pandemic was in January 2020 but the Chair of Trustees, Ian Brady, was able to visit all the partners in July 2022 and attend the RTU AGM.

Related Parties

Other than reported in Notes 5 and 14, there are no transactions with related parties that are required to be disclosed in these accounts.

Review of developments, activities and achievements

| | | | | | | | | | | |
|---|--|--|--|---|------------------|------------------------|--|--|--|--|
| 850 | 100 | 1647 | 100% | 144 | 47 | 2 | 1605 | £484,660 | 8,994 | 0 |
| children cared for in RTU's Children's Villages in the year | children supported at home so they are able to attend school | children educated at RTU schools and 8 supplementary schools | pass rate of pupils' 12 th standard exams | students supported at college with 54 new graduates | new houses built | new bore wells drilled | women members of 121 self-help groups in 29 villages | donated by individual supporters and organisations to RTU-UK | Total number of new houses built to date | separate visits to India by UK trustees in the year due to Covid |

The work in India

RTU in India has an enormous impact on the lives of many people from scheduled castes (sometimes known as Dalits or untouchables) and tribal communities living in impoverished rural areas of South India. It provides a family home for orphaned or abandoned children in four Children's Villages - in small family houses with 'foster' mothers for the younger children and hostel-style accommodation for older teenagers.

The children are educated at RTU-I's eight balwadies (pre-schools), three primary and middle schools and a higher secondary school (which all also offer schooling to over 750 local children from disadvantaged families). The education is of a high standard and the schools enrich the children's lives by having elected school parliaments, trips out, sports days, various school exhibitions and competitions, and participating in district and state sports and dance competitions. After completing the State 10th, 11th and 12th standard exams, the children are supported through college and various professional qualifications until they are able to live independently. A scholarship scheme is in place for local children to enable them to continue their studies at college. Approximately a sixth of the children are affected by HIV/AIDS in their families and 4% are HIV+ themselves.

Other work is focused on supporting children at home in their families and villages and includes:

- a **house-building** programme to help families build village houses in place of inadequate and unsafe shelters constructed largely of coconut thatch panels on bare earth, prone to vermin, fires and easily damaged in the monsoon rains. RTU-I makes all the cement blocks, windows and doors in-house and last year, when the lockdown eased, constructed 47 houses in 14 villages benefitting 172 people, each with two rooms, a toilet/washroom, electricity and a verandah. Nearly 9,000 houses have been built since the programme started in 1976.
- **bore wells** and **water facilities** to provide clean, safe water to people living in rural villages. Four new bore wells were drilled in the year to provide water facilities in schools and rural villages and for other NGOs, fitting submersible electric pumps and water tanks. A new water tank for the local village holding 200,000 litres of water was also provided. 2,480 water facilities have been provided to date.
- a **home-support** scheme for families where monetary assistance is given in the form of a monthly payment to help them provide nutritious food and clothes, and to enable them to send their children to school. Staff visit families to support them with a range of issues and help them to access healthcare, widow's pensions and medical expenses if they are HIV+ etc. As at year end, there were 100 children from 81 families in 51 local villages, and staff visit the schools to help support and encourage them in their education. Last year, nearly all the children in the home support programme passed their 10th standard exams (equivalent to GCSEs) and 12th standard exams (equivalent to A-levels). A third of the children are either HIV+ themselves or have family members who are or who have died from AIDS-related illnesses.
- a **medical clinic** and **mobile health clinics** catering for around 125 outpatients a day from surrounding villages, staffed by nurses with a visiting doctor and physiotherapist twice a week. Originally set up to work with leprosy patients, the health centre had over 19,952 appointments last year and seriously ill people were referred to hospital at RTU-I's expense. There is also a **physiotherapy centre** which provided treatment to 4,189 patients last year. The medical clinic also cares for all the children in the Children's Villages and schools, providing regular vaccinations, health, eye and dental checks, and there are four full-time counsellors working in the Children's Villages to support the young people's emotional health and wellbeing.

- a **women's empowerment** programme providing services and resources so that women in rural villages can improve their economic independence by supporting them to set up their own income generating initiatives/micro-finance schemes and collectively work on issues of concern in their communities. Members of these groups also help to identify beneficiaries for RTU-I's other programmes. 108 **self-help groups** and micro-credit savings schemes are currently running in 29 villages with 1,605 women members. An independent body of all the self-help groups, Vidiyal Women's Federation, has been formed and has an executive committee which meets monthly to deal with loan processing, and other issues affecting women. RTU-I also provides regular training on issues such as health awareness, enterprise, domestic violence and access to Government schemes; and runs free legal aid 'camps' and vaccination programmes for milking animals in villages
- three **mobile tailoring training** centres visit rural villages to provide a six-month accredited training programme for rural women so that they can earn additional income and set up their own businesses. Last year, the training centres was only able to operate for 6 months because of the pandemic and visited 3 villages. 88 women benefitted from the courses.
- 8 **study centres** are run for two hours in the evenings and on Saturdays in rural villages to lift the educational attainment of the most disadvantaged children attending poor rural Government schools. 255 children attended these study centres in the year and received food and school materials. The study centres are particularly key at this time as the teachers help children with basic literacy and numeracy following the school closures when the children had no access to education for nearly two years.
- **mobile science laboratories** to give children at rural schools hands-on experience of science and technical experiments and modern teaching materials, so that they can follow the science stream in the Tamil curriculum. Currently the three science labs with six RTU teachers visit 101 Government schools in rural villages, and 7,415 children benefitted from the sessions last year.
- support for 65 **elderly** and destitute people living in rural villages who are chronically ill with TB or are cured leprosy patients who are rejected by their communities. RTU-I provides food, clothing and financial assistance. 350kg of sathumavu (nutritious flour) is distributed every month to them and to local malnourished children.

In the financial year, all the services at RTU in India were provided on a revenue budget of just INR 858 lakhs which, at year end exchange rates, is approximately equal to £866,000. Further information on the work and the RTU-I Annual Review and Financial Statements are available on the website, www.rtuindia.org.

We are also delighted to have provided funding to two 'partner' NGO's who have close links with RTU in India with grants in the year. Jeevan Jyothi Hospice looks after children in RTU-I's care who are HIV+ if they become ill or face a negative reaction to ART drug therapy. It is 25km from RTU and has 40 bed spaces. Children stay at Jeevan Jyothi until they are well enough to return to their home in the Children's Villages. As well as providing a service for children and adults at the hospice, Jeevan Jyothi meets the needs of people with HIV in the surrounding villages and has an extensive outreach programme, ensuring that people with HIV/AIDS maintain the drug therapy they need and receive good nutrition. It also runs an outreach programme for vulnerable children and provides the national 'Childline' service in the Theni District of Tamil Nadu where it is based, mainly dealing with issues of child marriage, drug addiction and children who have dropped out of school.

The other NGO we supported in the year is the Rural Area Development Trust (RUADT) which supports differently abled children and young people, and their families, providing a range of services including special schools and rehabilitation centres. We provided the funding required to run their vocational training programme to give young adults with learning difficulties skills to enable them to earn a living, and two of their village rehabilitation programmes providing physiotherapy and support to people of all ages.

Working with RTU in India

The trustees are keen to ensure sufficient funding and support for the work of RTU in India. Although it is an independent organisation and our procedures ensure that we have formal arrangements in place with RTU-I, particularly over funding requests and their evaluation, our long historical links and the personal involvement of trustees over the years have led us to be proactive. There is frequent communication and liaison between RTU-UK and RTU-I online and, in normal years, through visits made to India by trustees, funded at their own expense, and timed to coincide with the RTU-I Board Meetings and the AGM, where RTU-UK attends as an observer.

This style of co-operation works well and ensures the trustees here remain well-informed of developments and issues at RTU-I, whilst ensuring that our funding achieves the public benefit we seek.

The relationship between the two organisations is formalised in a Memorandum of Understanding which sets out the framework of the working relationship between RTU-UK and RTU-I and ensures clarity of roles and responsibilities on both sides.

We also provide management and strategic support where appropriate and have been involved in developing policies associated with safeguarding, discrimination in the workplace etc. A Home Management Committee operates at RTU-I involving senior RTU-I staff, the District Children Protection Officer, the President of the District Child Welfare Committee, the Government Medical Officer and other local officials to oversee safeguarding issues in the Children's Villages and schools. This committee meets quarterly.

Another way in which both RTU-UK and RTU-I have been working together for some years is on building fundraising capacity at RTU-I and implementing a fundraising strategy to increase in-country donations. We have been working with a Tamil-speaking consultant based in Chennai to enable RTU-I to take advantage of resource mobilisation opportunities in India. Following a successful pilot scheme, we are now in the third year of a project, funded by RTU-UK, to target Indian foundations and corporate social responsibility (CSR) opportunities. New grants have been made for capital projects, and revenue funding for RTU-I's schools to improve the educational outcomes of the most disadvantaged rural children has been obtained for the last two and current financial years.

We have also been working with the consultant on strategic reviews and we were able to get specific funding to carry out a vulnerability needs assessment in the rural villages where RTU-I works to inform future service provision in the aftermath of the pandemic. This involved interviews with women in 200 villages, as well as focus groups amongst existing beneficiaries, and has provided very useful data.

Building Support in the UK

The majority of income received is thanks to the generosity of our individual supporters and local church and community groups, many of whom make regular donations or support our child/student sponsorship schemes. Regular income received in this way has continued to grow and accounts for half of our income (excluding large gifts such as legacies) at the year end. Supporters like the very strong links we have with RTU-I and know the difference their contribution is making on the ground to the lives of their sponsored children, and many of the most disadvantaged people in rural South India. In addition to sponsorship, many supporters help the house-building and well-drilling programmes through *in memoriam* gifts for individual houses and wells.

Donations from supporters decreased in comparison to the previous year, but income increased thanks to grants from new charitable trusts, and from legacies. Trustees are very grateful to all our committed supporters – individuals, churches, schools and other organisations – who have given so much. We are hugely grateful for all you do to help. We are also very grateful to those who have organised fundraising events in their area, and to those who act as our ambassadors in their church, school and community to keep the work of RTU on the agenda.

Plans for the future

Although there has been economic growth in India over the last few years and greater investment in infrastructure, health and education by the Tamil Nadu State Government, there is little evidence of this in the remote rural villages where RTU in India works and there are large numbers of a rapidly increasing population living in severe poverty. The economic impact of the pandemic in India is likely to be enormous. Many people rely on seasonal daily wage labouring work and receive no money to live on if work is unavailable. Families are particularly vulnerable if one member becomes ill and is unable to work, and often children need to work to supplement the family income. Families in this normal situation rarely have enough to buy sufficient nutritious food, let alone the means to cover the costs of bus fares, uniforms and school materials so that their children can attend school. They can easily get into debt, relying on moneylenders who charge large rates of interest to meet emergency needs such as medical care. In the immediate aftermath of the lockdown in March 2020, families were unable to do any daily wage labouring work and had no means to buy necessary food. Although a Government ration scheme came into place, some did not have the necessary documents to access this or fell outside their food security system. Although the lockdown was eased in Tamil Nadu, one of the worse-hit states, in September 2020, it was again re-introduced at the time of the second wave in April 2021. RTU-I is the largest and most wide-reaching registered NGO in the area, and there are few of the well-recognised larger development agencies or overseas agencies on the ground to help.

The need is clearly evident and many of the children and families accessing the support services of RTU-I now come via the self-help groups that RTU-I supports in remote rural villages. It has formed links with smaller NGOs and other stakeholders in the area, and there is huge potential to have a greater impact in collaboration with other organisations.

The main priorities for RTU-UK in the forthcoming year are:

- To continue to make progress in developing fundraising in the UK so that the work with the beneficiaries can continue and develop. An individual giving strategy is now being rolled out and reviewed regularly, and the website continues to increase engagement and online giving. Looking to the future, we also wish to secure income from grant-makers and work to increase our presence on social media.
- As part of the commitment to generate further resources for the beneficiaries, we will continue our work with RTU in India to enable them to continue to build their own fundraising capacity to fundraise locally to support and develop the work and become less reliant on income from overseas.
- We will continue to maintain and develop our working relations with RTU and other NGOs we fund in India and to offer our support in any other ways that add value to their work. The services in India are of a very high standard. We continue to look at opportunities to enhance this.

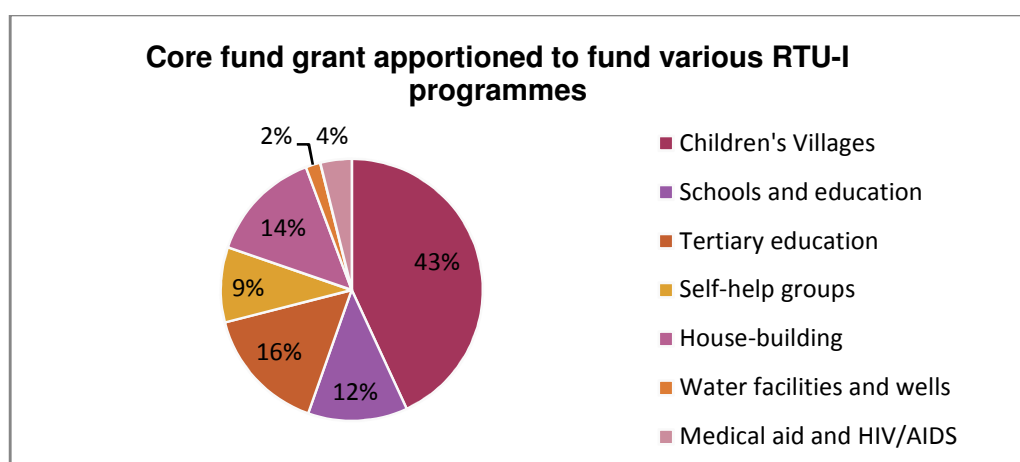
Finances, investment and reserves policies

Results for the Year

Day to day donations and regular giving from our supporters have decreased by a small amount compared with the previous financial year and at year end stood at £484,660. Given there is a lot of financial pressure at the moment, this continuing generosity is a testament to the very effective work in India and how this inspires such impressive giving amongst our many loyal supporters.

We have a Legacy Fund and adopted a policy whereby, on receipt, a legacy is placed in the Fund with a planned but flexible drawdown depending on the nature and size of the legacy. Legacies arising this year were £105,254 (2021: £29,104). The Legacy Fund brought forward was £114,468, and the carried forward balance is £194,722.

A total of £327,446 (2021: £253,165) was transferred to RTU-I in the year which represents 37% of their total expenditure. Of the grant to RTU-I released this year for core revenue funding, 12% (2021: 11%) was spent on schools and education; 43% (2021: 47%) on childcare and the Children's Villages; 16% (2021: 7%) on tertiary education to support children through college; 4% (2021: 14%) on medical aid and HIV/AIDS prevention and support; 9% on community development and women's self-help groups (2021: 9%); and 16% (2021: 12%) on house building and water facilities. In addition, capital funding of £6,251 was given for the refurbishment of the central kitchen and some of the evening study centres.



In addition to the funding for RTU-I, a further £31,201 (2021: £30,470) was sent to India including £18,848 (2021: £24,861) to Jeevan Jyothi Hospice and £12,353 (2021: £5,609) to RUADT.

The Statement of Financial Activities shows the operating results of the Charity for the year and the Balance Sheet shows its state of affairs at 31 March 2022. The trustees consider this to be satisfactory and in a position to meet our commitments for the foreseeable future.

Currency fluctuations

The trustees follow the policy of committing funds each year to RTU-I (and the other NGOs we support) in Indian rupees (INR). This has simplified financial planning for our partners but has meant we take the full exchange rate risk involved. As the strength of both sterling and INR has fluctuated, in some years our commitments have cost us less than anticipated at the start of the year; and other years our expenditure has been higher than planned, as is projected in the 2022-23 financial year. The continuing fluctuation on the value of sterling and costs associated with this has meant that it has cost the Charity considerably more in recent years to meet our INR commitments. The trustees have mitigated the situation by transferring funds at the best exchange rates, forward purchasing currency and taking regular advice. The trustees wish to maintain the practice of committing in INR to our partners, and do not currently see the need for any change.

Reserves Policy

Our Reserves Policy is set to ensure that the work in India is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring that we do not retain income for longer than required. The Reserves Policy is reviewed on a regular basis and adjusted as risk perceptions and other factors change. Central to the trustees' considerations in setting the Reserves Policy is the responsibility to ensure that when a child enters their care in the Children's Villages at RTU in India there is a safe, supportive and stable environment that will allow that child to grow to maturity and lead an independent life. The cost of this has been reviewed in light of high levels of inflation in India over the past few years. The trustees also want to maintain sufficient reserves to meet any emergency need in India and to invest in capacity building.

As a result, the RTU-UK trustees consider it appropriate to designate reserves of between 6 and 12 months of our annual commitments in India for the forthcoming year such that together with RTU in India we may commit to maintain the current level of support for the children in their care for the indefinite future. This will provide the security and knowledge that the UK charity has adequate resources to ensure that any child currently brought into RTU is supported for the full period of their dependency until they are ready to live independently.

The setting of an appropriate size of reserve has taken account of future plans, and other information on reserves held in India. We also project outcomes of various 'disaster' scenarios based on a review of our risks.

Based on the above policy, the trustees calculate that a desirable level of unrestricted reserves at 31 March 2022 was £607,031. The actual level of unrestricted reserves was £704,745.

Free reserves at 31 March 2022 were £57,915 (2021: £48,078). The total funds held by the Charity were £829,012 (2021: £722,904), £23,817 of the increase being due to the rise in the value of investments in our portfolio at year end. The main factor affecting reserves, however, was the reduction in the budgets of our partner organisations in India due to the various restrictions and lockdowns which disrupted many of their programmes, and the receipt of a large legacy within the year. With lower exchange rates and increased funding of Covid recovery work, we are expecting our reserves in the 2022-23 financial year to be well within the Reserves Policy target.

Investment Powers

Under the Memorandum and Articles of Association, the trustees have the power to make any investment they see fit subject to taking advice from a specialist in the field. Our reserves are invested with a view to maintaining their capital value in real terms and, if possible, to generate a return. Funds are invested in interest yielding accounts pending their being sent to India or put into special reserve. In April 2010, trustees placed £150,000 on term deposits and £200,000 was placed with Brewin Dolphin for investment in bonds and equities. The portfolio is managed on a diversified risk basis and this year its value increased from £268,581 at 31 March 2021 to £292,398 at 31 March 2022 but had dropped again to £267,704 at June 2022. In addition, it generated income of £5,231 (2021: £4,355). As these investments are held against long-term needs, fluctuations are to be expected and the trustees do not intend to vary their policy in light of short-term fluctuations.

Responsibilities of the trustees

The trustees (who are also directors of Reaching the Unreached for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate 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.

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

Registered office:

16 Glasshouse Studios
Fryern Court Road
Fordingbridge, Hants
SP6 1QX

Signed on behalf of the trustees:



Ian Brady - Chair

Approved by the trustees on 12th November 2022

Independent examiners report to the trustees

I report on the accounts for the year ended 31st March 2022, which are set out on pages 13 to 26.

Responsibilities and basis of report

As the charity 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 company'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 that in any material respect:

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)].

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.



Jeremy Kitson FCA
Prime Chartered Accountants
Corner Oak
1 Homer Road
Solihull
West Midlands
B91 3QG

Date 18/11/2022

Statement of financial activities (incorporating the income and expenditure account) for the year ended 31 March 2022

| | Note | Year to 31.03.2022 | | | Year to 31.03.2021 | | |
|--|------|--------------------|------------------|----------------|--------------------|-----------------|----------------|
| | | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total |
| | | Funds £ | Funds £ | | Funds £ | Funds £ | |
| Income from: | | | | | | | |
| Donations | | 212,448 | 226,712 | 439,160 | 282,350 | 221,951 | 504,301 |
| Trusts and foundations | | 45,500 | | 45,500 | - | - | - |
| Legacies | | 105,254 | - | 105,254 | 29,104 | - | 29,104 |
| Income from trading activities | | 4,568 | - | 4,568 | 5,893 | - | 5,893 |
| Investments: | | | | | | | |
| Interest receivable | 2 | 888 | - | 888 | 1,855 | - | 1,855 |
| Investment income | 2 | 5,231 | - | 5,231 | 4,355 | - | 4,355 |
| Total income | | <u>373,889</u> | <u>226,712</u> | <u>600,601</u> | <u>323,557</u> | <u>221,951</u> | <u>545,508</u> |
| Expenditure on: | 3 | | | | | | |
| Raising funds | | | | | | | |
| Raising donations and legacies | | 11,852 | - | 11,852 | 5,700 | - | 5,700 |
| Costs of trading activities | | 2,655 | - | 2,655 | 2,929 | - | 2,929 |
| Investment management costs | | 2,750 | - | 2,750 | 2,268 | - | 2,268 |
| Charitable activities | | <u>132,171</u> | <u>350,773</u> | <u>482,944</u> | <u>156,895</u> | <u>262,470</u> | <u>419,365</u> |
| Total expenditure | | <u>149,428</u> | <u>350,773</u> | <u>500,201</u> | <u>167,792</u> | <u>262,470</u> | <u>430,262</u> |
| Net (losses)/gains on investment assets | | <u>5,708</u> | <u>-</u> | <u>5,708</u> | <u>63,967</u> | <u>-</u> | <u>63,967</u> |
| Net (expenditure)/income for the year | 4 | <u>230,168</u> | <u>(124,061)</u> | <u>106,108</u> | <u>219,732</u> | <u>(40,519)</u> | <u>179,213</u> |
| Transfers between funds | | <u>(115,028)</u> | <u>115,028</u> | <u>-</u> | <u>(44,056)</u> | <u>44,056</u> | <u>-</u> |
| Net movement in funds | | <u>115,141</u> | <u>(9,033)</u> | <u>106,108</u> | <u>175,676</u> | <u>3,537</u> | <u>179,213</u> |
| Reconciliation of funds | | | | | | | |
| Funds brought forward | | <u>589,604</u> | <u>133,300</u> | <u>722,904</u> | <u>413,928</u> | <u>129,763</u> | <u>543,691</u> |
| Funds carried forward | | <u>704,745</u> | <u>124,267</u> | <u>829,012</u> | <u>589,604</u> | <u>133,300</u> | <u>722,904</u> |

All activities are of a continuing nature.

The statement of financial activities includes all gains and losses recognised in the year.

Balance sheet at 31 March 2022

| | Notes | 2022 £ | 2021 £ |
|---|---------|----------------|----------------|
| FIXED ASSETS | | | |
| Tangible fixed assets | 7 | - | - |
| Investments | 8 | 292,398 | 268,581 |
| | | <u>292,398</u> | <u>268,581</u> |
| CURRENT ASSETS | | | |
| Debtors | 9 | 27,750 | 19,366 |
| Cash at bank and in hand | | 519,998 | 453,477 |
| | | <u>547,748</u> | <u>472,843</u> |
| CREDITORS: Amounts falling due within one year | 10 | (11,134) | (18,520) |
| | | <u>536,614</u> | <u>454,323</u> |
| NET ASSETS | | <u>829,012</u> | <u>722,904</u> |
| | | ===== | ===== |
| CHARITY FUNDS | 12 & 13 | | |
| Restricted Funds | | 124,267 | 133,300 |
| Unrestricted Funds | | | |
| Designated | | | |
| Brother James Tribute Fund | | 17,108 | 17,058 |
| Contingency and Capacity Building Fund | | 350,000 | 300,000 |
| Covid Recovery Fund | | 85,000 | 110,000 |
| Legacy Fund | | 194,722 | 114,468 |
| General | | 57,915 | 48,078 |
| | | <u>829,012</u> | <u>722,904</u> |
| TOTAL CHARITY FUNDS | | ===== | ===== |


The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 386 of the Act; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to companies, subject to the small companies' regime.

This report was approved and authorised for issue by the Trustees on 12th November 2022 and signed on their behalf by:


Sean Henry - Treasurer

Ian Brady - Chair

The notes on pages 16 to 26 form part of these financial statements.
Company Registered Number: 04217700

Balance sheet at 31 March 2022

| | Notes | 2022 £ | 2021 £ |
|---|---------|----------------|----------------|
| FIXED ASSETS | | | |
| Tangible fixed assets | 7 | - | - |
| Investments | 8 | 292,398 | 268,581 |
| | | <u>292,398</u> | <u>268,581</u> |
| CURRENT ASSETS | | | |
| Debtors | 9 | 27,750 | 19,366 |
| Cash at bank and in hand | | 519,998 | 453,477 |
| | | <u>547,748</u> | <u>472,843</u> |
| CREDITORS: Amounts falling due within one year | 10 | (11,134) | (18,520) |
| Net Current Assets | | <u>536,614</u> | <u>454,323</u> |
| NET ASSETS | | <u>829,012</u> | <u>722,904</u> |
| CHARITY FUNDS | 12 & 13 | | |
| Restricted Funds | | 124,267 | 133,300 |
| Unrestricted Funds | | | |
| Designated | | | |
| Brother James Tribute Fund | | 17,108 | 17,058 |
| Contingency and Capacity Building Fund | | 350,000 | 300,000 |
| Covid Recovery Fund | | 85,000 | 110,000 |
| Legacy Fund | | 194,722 | 114,468 |
| General | | <u>57,915</u> | <u>48,078</u> |
| TOTAL CHARITY FUNDS | | <u>829,012</u> | <u>722,904</u> |

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 386 of the Act; and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to companies, subject to the small companies' regime.

This report was approved and authorised for issue by the Trustees on 12th November 2022 and signed on their behalf by:

Sean Henry - Treasurer


Ian Brady - Chair

The notes on pages 16 to 26 form part of these financial statements.
Company Registered Number: 04217700

Statement of cash flows for the year ended 31 March 2022

| | <u>2022</u> | <u>2021</u> £ |
|--|-------------------|------------------|
| Cash flow from operating activities | 80,558 ===== | 139,684 ===== |
| Cash flow from investing activities | | |
| Interest received | 888 | 1,945 |
| Investment income received | 5,231 | 4,295 |
| Purchase of investments | (46,065) | (76,888) |
| Sale of investments | 28,659 | 65,170 |
| Investment management fees | (2,750) | (2,268) |
| Fixed asset additions | - | - |
| | ----- | ----- |
| Net cash flow from investing activities | (14,032) ===== | (7,746) ===== |
| Net increase in cash and cash equivalents in the year | 66,521 | 131,938 |
| Cash and cash equivalents at the beginning of the year | 453,477 ----- | 321,539 ----- |
| Total cash equivalents at the end of the year | 519,998 ===== | 453,477 ===== |
| Cash and cash equivalents consist of: | | |
| Cash at bank and in hand | 519,998 ===== | 453,477 ===== |
| Reconciliation of net income to net cash flow from operating activities | | |
| Net movement in funds | 106,108 | 179,213 |
| Interest receivable | (888) | (1,855) |
| Investment income | (5,231) | (4,355) |
| Investment management fees | 2,750 | 2,268 |
| Losses/(gains) on investment assets | (6,411) | (63,967) |
| Decrease/(increase) in debtors | (8,384) | 22,207 |
| (Decrease)/increase in creditors | (7,386) | 6,085 |
| Depreciation | - | 88 |
| | ----- | ----- |
| Net cash from operating activities | 80,558 ===== | 139,684 ===== |

Notes to the accounts to 31 March 2022

1 ACCOUNTING POLICIES

(a) Basis of Accounting

Reaching the Unreached (RTU) is a registered charity in the United Kingdom, limited by guarantee and registered in England and Wales. The address of its principal office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are given on pages 4 to 10 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. 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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2019.

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

The accounts have been prepared in sterling (£) which is also the functional currency of the entity.

(b) Going Concern

These financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(c) Incoming Resources

Income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. The following specific policies are applied to particular categories of income:

- For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled in the reporting period.
- Legacy gifts are recognised on a case by case basis following the granting 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 measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.
- Donated facilities and donated professional services are recognised as income at their fair value when their economic benefit is probable, it can be measured reliably, and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.
- Investment income is earned through holding assets for investment purposes such as shares and term deposit accounts. It includes interest income which is recognised as it accrues, and dividend income which is recognised as the charity's right to receive payment is established.

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

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under activities that aggregate all costs related to any particular activity. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties; it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds comprise costs incurred by the charity in the generation of donation and fundraising income.
- Expenditure on charitable activities include those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.
- Other expenditure represents those items not falling into the categories above.
- All categories of costs include both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include premises costs, office costs, governance costs and administrative costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular activities, they have been allocated to expenditure on a basis which may be based on activity as represented by direct costs expended on that activity or based on a proportion of staff costs. The analysis of these costs is included in Note 3.

(f) Fund accounting

Funds held by the Charity are either:

- (i) Unrestricted general funds – these are funds without specified purpose and are available as general funds.
- (ii) Designated funds – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- (iii) Restricted funds – these are funds which can only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Transfers between funds are made to cover deficits on individual restricted funds and to recognise fixed assets acquired with restricted income, but with no further restriction on use, within unrestricted funds

(g) Legacy Fund

The trustees have established a Legacy Fund into which any legacy received by the Charity will be placed on receipt. Transfers out of the fund to general funds are at the discretion of the trustees and will be made having regard to the charity's general policy on reserves.

(h) Investment Income

Material amounts of income arising from investments earmarked against any particular fund are added to that fund. Otherwise income from investments is allocated to the general fund.

(i) Depreciation

Depreciation is calculated to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office equipment - 33% straight line basis

Fixed assets are not capitalised unless their cost is more than £200.

(j) Foreign exchange

Transactions denominated in foreign currencies are initially translated into sterling at the exchange rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the exchange rates ruling at the year end. Foreign exchange differences are dealt with in the income and expenditure account and allocated directly to activities where appropriate to do so.

(k) Fixed Asset Investments

Fixed asset investments are recognised initially at fair value which is normally the transaction price including transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SOFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

(l) Debtors

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

(m) Cash at bank and in hand

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

(n) Creditors and provisions

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

(o) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(p) Financial Instruments

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

2 INVESTMENT INCOME

| | <u>2022</u> £ | <u>2021</u> £ |
|---|------------------|------------------|
| Income from investments listed on a recognised stock exchange | 5,231 | 4,355 |
| Interest receivable | 888 | 1,855 |
| | ----- | ----- |
| | 6,119 | 6,210 |
| | ===== | ===== |

3 TOTAL RESOURCES EXPENDED

See appendix A

4 NET INCOME/(EXPENDITURE) FOR THE YEAR

| | <u>2022</u> £ | <u>2021</u> £ |
|---------------------------------------|------------------|------------------|
| This is stated after charging: | | |
| Depreciation of tangible fixed assets | - | 88 |
| Independent examiner's remuneration | 2,250 | 2,050 |
| | ==== | ==== |

5 TRUSTEES REMUNERATION AND EXPENSES

There were no employees during the year, nor the previous year.

The constitution forbids any trustee to be remunerated.

In 2022 3 trustees (2021: 0) had travel expenses of £602 (2021: £nil) paid to them.

6 TAXATION

The company is a registered Charity and it is considered that its operations are conducted such that no taxation liability will arise.

7 TANGIBLE FIXED ASSETSOffice Equipment

| | £ |
|-----------------------------------|-------|
| <u>Cost</u> | |
| At 1 April 2021 and 31 March 2022 | 263 |
| | ===== |
| <u>Depreciation</u> | |
| At 1 April 2021 and 31 March 2022 | (263) |
| | ===== |
| <u>Net Book Value</u> | |
| At 31 March 2022 | - |
| | ===== |
| At 31 March 2021 | - |
| | ===== |

8 FIXED ASSET INVESTMENTS

| | £ |
|--|------------|
| Listed investments: | |
| Market value at 1 April 2021 | 268,581 |
| Sales in year at market value | (28,659) |
| Additions in year at cost | 46,065 |
| Net increase on valuation at 31 March 2022 | 6,411 |
| | ----- |
| Carrying value (market value) at 31 March 2022 | 292,398 |
| | ===== |
| Listed in the UK | 70,277 |
| Listed outside the UK | 222,121 |
| | ----- |
| | 292,398 |
| | ===== |

These investments are held primarily for an investment return.

9 DEBTORS

| | <u>2022</u> | <u>2021</u> |
|----------------------|-------------|-------------|
| | £ | £ |
| Gift aid recoverable | 26,882 | 13,273 |
| Currency purchased | - | 5,000 |
| Prepayments | 648 | 648 |
| Accrued income | 220 | 445 |
| | ----- | ----- |
| | 27,750 | 19,366 |
| | ===== | ===== |

10 CREDITORS: Amounts falling due within one year

| | <u>2022</u> | <u>2021</u> |
|-----------------|-------------|-------------|
| | £ | £ |
| Trade creditors | 2,498 | 2,117 |
| Accruals | 8,636 | 16,403 |
| | ----- | ----- |
| | 11,134 | 18,520 |
| | ===== | ===== |

11 CAPITAL

The company has no share capital being limited by guarantee. There are 10 members of the company each of whom has committed to contribute £1 in the event of the company being wound up. There is no one controlling party of the Charity.

12 ANALYSIS OF NET ASSETS BETWEEN FUNDSFor the year ended 31 March 2022

| | <u>Unrestricted Funds</u> | <u>Restricted Funds</u> | <u>Total</u> |
|-----------------------|---------------------------|-------------------------|--------------|
| | £ | £ | £ |
| Tangible fixed assets | | - | - |
| Investments | 292,398 | - | 292,398 |
| Debtors | 27,750 | - | 27,750 |
| Bank balances | 395,731 | 124,267. | 519,998 |
| Creditors | (11,134) | - | (11,134) |
| | ----- | ----- | ----- |
| | 704,745 | 124,267 | 829,012 |
| | ===== | ===== | ===== |

Comparative for the year ended 31 March 2021

| | <u>Unrestricted Funds</u> | <u>Restricted Funds</u> | <u>Total</u> |
|-----------------------|---------------------------|-------------------------|--------------|
| | £ | £ | £ |
| Tangible fixed assets | - | - | - |
| Investments | 268,581 | - | 268,581 |
| Debtors | 19,366 | - | 19,366 |
| Bank balances | 320,177 | 133,300 | 453,477 |
| Creditors | (18,520) | - | (18,520) |
| | ----- | ----- | ----- |
| | 589,604 | 133,300 | 722,904 |
| | ===== | ===== | ===== |

13 MOVEMENT IN FUNDS

Movement in Funds – for the year ended 31 March 2022

| | <u>At 1 Apr</u> <u>2021</u> £ | <u>Incoming</u> <u>Resources</u> £ | <u>Outgoing</u> <u>Resources</u> £ | <u>Transfers</u> £ | <u>At 31 Mar</u> <u>2022</u> £ |
|---------------------------------------|-------------------------------------|--|--|-----------------------|--------------------------------------|
| Restricted funds | | | | | |
| Administration | - | 1,125 | - | (1,125) | - |
| Childcare | - | 113,950 | (133,261) | 19,311 | - |
| Community buildings | 3,277 | 8,095 | (6,252) | - | 5,120 |
| Community Outreach & Self-Help Groups | - | 8,388 | (30,368) | 21,980 | - |
| Disability | - | 75 | (12,353) | 12,278 | - |
| Education | - | 7,092 | (40,281) | 33,189 | - |
| Housing | 61,015 | 29,609 | (39,695) | - | 50,929 |
| Medical | - | 2,157 | (31,553) | 29,396 | - |
| Tertiary education | 44,709 | 47,295 | (51,094) | - | 40,910 |
| Water resources | 24,299 | 8,926 | (5,917) | - | 27,308 |
| Total restricted funds | 133,300 | 226,712 | (350,774) | 115,029 | 124,267 |
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Brother James Tribute Fund | 17,058 | 50 | - | - | 17,108 |
| Capacity and Contingency Fund | 300,000 | - | - | 50,000 | 350,000 |
| Covid Recovery Fund | 110,000 | - | - | (25,000) | 85,000 |
| Legacy Fund | 114,468 | 105,254 | - | (25,000) | 194,722 |
| Total designated funds | 541,526 | 105,304 | - | - | 646,830 |
| General funds | 48,078 | 274,294 | (149,428) | (115,029) | 57,915 |
| Total unrestricted funds | 589,604 | 379,598 | (149,428) | (115,029) | 704,745 |
| Total funds | 722,904 | 606,310 | (500,202) | - | 829,012 |
| | ===== | ===== | ===== | ===== | ===== |

In the trustees' opinion, there were sufficient resources held to enable each fund to be applied in accordance with the restrictions imposed by donors.

Transfers of £115,029 (2021: £44,056) were made between unrestricted and restricted funds to cover deficits on restricted funds that cannot be recovered through future income on the projects concerned.

In the year ended 31 March 2021, the balance of the Henry Legacy was transferred to the designated Legacy Fund with the permission of the Henry family.

13 MOVEMENT IN FUNDS (continued)**Movement in Funds – comparative for the year ended 31 March 2021**

| | <u>At 1 Apr</u> <u>2020</u> £ | <u>Incoming</u> <u>Resources</u> £ | <u>Outgoing</u> <u>Resources</u> £ | <u>Transfers</u> £ | <u>At 31 Mar</u> <u>2021</u> £ |
|---------------------------------------|-------------------------------------|--|--|-----------------------|--------------------------------------|
| Restricted funds | | | | | |
| Administration | - | 1,438 | - | (1,438) | - |
| Childcare | - | 109,409 | (118,889) | 9,480 | - |
| Community buildings | 3,277 | - | - | - | 3,277 |
| Community Outreach & Self-Help Groups | - | 7,637 | (23,455) | 15,818 | - |
| Disability | - | 75 | (5,609) | 5,534 | - |
| Education | - | 7,808 | (26,965) | 19,157 | - |
| Henry Legacy | 35,917 | - | - | (35,917) | - |
| Housing | 51,957 | 34,949 | (25,891) | - | 61,015 |
| Medical | - | 8,851 | (40,273) | 31,422 | - |
| Tertiary education | 13,374 | 48,839 | (17,504) | - | 44,709 |
| Water resources | 25,238 | 2,945 | (3,884) | - | 24,299 |
| Total restricted funds | 129,763 | 221,951 | (262,470) | 44,056 | 133,300 |
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| Brother James Tribute Fund | 17,058 | - | - | - | 17,158 |
| Capacity and Contingency Fund | 300,000 | - | - | - | 300,000 |
| Covid Recovery Fund | - | - | - | 110,000 | 110,000 |
| Legacy Fund | 49,447 | 29,104 | - | 35,917 | 114,468 |
| Total designated funds | 366,505 | 29,104 | - | 145,917 | 541,526 |
| General funds | 47,423 | 294,453 | (103,825) | (189,973) | 48,078 |
| Total unrestricted funds | 413,928 | 323,557 | (103,825) | (44,056) | 589,604 |
| Total funds | 543,691 | 545,508 | (366,295) | - | 722,904 |

Purposes of Restricted Funds

| | |
|---------------------|---|
| Administration | To provide income to meet the Charity's UK running costs. |
| Childcare | To provide for orphaned and destitute children and young people in the Children's Villages. |
| Community buildings | To support the construction of school classrooms, nursery schools, hostels, and other facilities. |
| Community Outreach | To provide assistance to destitute elderly or infirm people; to provide support for children in need in their home environment. |
| Self Help Groups | To support micro finance schemes to enable women to set up their own income generating initiatives. |
| Disability | To support services for disabled beneficiaries. |
| Education | To support the education of the poorest children and villagers, through the provision of schools and evening study centres including meeting the costs of teachers' salaries. |

13 MOVEMENT IN FUNDS (continued)

| | |
|--------------------|---|
| Henry Legacy | A legacy to support hostel and other provision for destitute boys, and scholarships for students, subject to agreement with the Henry family. |
| Housing | To support the construction of low-cost village houses for homeless families. |
| Medical | To provide a medical clinic, including work with people who are HIV+ or have AIDS-related illnesses. |
| Tertiary education | To support young people through tertiary education or vocational training after completing school. |
| Water resources | To provide essential water supplies, especially through the drilling of bore wells. |

Purpose of Designated Funds:

| | |
|--|---|
| Brother James Tribute Fund | This fund was previously called the Brother Lionel Fund and was established to provide a special fund available to James Kimpton, the founder of RTU in India, so he could exercise his discretion within the Objects of the charity to support initiatives of his choosing within RTU in India. On his death in October 2017, the trustees launched a Tribute Fund in his memory and transferred the existing funds from the Brother Lionel Fund into this new fund to help ensure his work, especially with the children in RTU's care, can continue for the full period of their dependency. |
| Contingency and Capacity Building Fund | The Contingency and Capacity Building Fund (previously called the New Generation Fund) and other designated funds have been established in order to be able to commit to support any child brought into RTU's care for the full period of their dependency. The Fund has also been established to meet any emergency need in India and to invest in capacity building in our partner agencies and in the UK. That limit has currently been set at £350,000 by the trustees. |
| Covid Recovery Fund | This designated fund was agreed by the trustees during the year to earmark some funds over and above the usual designated funds to allow for the development of RTU-I's programmes in the aftermath of the pandemic and to allow a quick response to ongoing challenges in India and in our ability to raise funds in the UK. |
| Legacy Fund | The Legacy Fund has been established for legacies received to allow a controlled release of funds to RTU in India. |

14 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year to 31 March 2022 nor during the year to 31 March 2021 requiring disclosure in these financial statements.

REACHING THE UNREACHED

APPENDIX A (NOTE 3) TOTAL RESOURCES EXPENDED FOR THE YEAR ENDED 31 MARCH 2022

| | <u>Basis of Allocation</u> | <u>Fundraising Costs</u> £ | <u>Support for India</u> £ | <u>Governance</u> £ | <u>Total</u> £ | <u>Year to 31.03.2021</u> £ |
|--|----------------------------|-------------------------------|-------------------------------|------------------------|-------------------|--------------------------------|
| Costs directly allocated to activities: | | | | | | |
| Payments to project partners: | | | | | | |
| (A) Reaching the Unreached of Village India (RTU-I): | | | | | | |
| Core funding | Direct | - | 7,873 | - | 7,873 | 21,165 |
| Children | Direct | - | 133,261 | - | 133,261 | 118,889 |
| Community outreach | Direct | - | 30,368 | - | 30,368 | 23,455 |
| Educational programme | Direct | - | 40,281 | - | 40,281 | 26,965 |
| Housing and community buildings | Direct | - | 45,945 | - | 45,945 | 25,891 |
| Medical programme | Direct | - | 12,705 | - | 12,705 | 15,412 |
| Tertiary education | Direct | - | 51,094 | - | 51,094 | 17,504 |
| Water resources | Direct | - | 5,919 | - | 5,919 | 3,884 |
| Total Gifts to Reaching the Unreached | | - | 327,446 | - | 327,446 | 253,165 |
| (B) Payment to Project Partner Jeevan Jyothi | Direct | - | 18,848 | - | 18,848 | 24,861 |
| (C) Payment to Project Partner RUADT | Direct | - | 12,353 | - | 12,353 | 5,609 |
| Total Grants Payable | | - | 358,647 | - | 358,647 | 283,635 |
| Outgoing resources: | | | | | | |
| Costs met for RTU India | Direct | - | 54,196 | - | 54,196 | 59,641 |
| Cost of raising funds | Direct | 11,852 | - | - | 11,852 | 5,700 |
| Costs of goods sold | Direct | 2,655 | - | - | 2,655 | 2,929 |
| Costs of supporter trips to India | Direct | - | - | - | - | - |
| Total Outgoing Resources | | 14,507 | 54,196 | - | 68,703 | 68,270 |
| Support costs: | | | | | | |
| Salaries and administration fees | Staff time | 6,003 | 25,187 | 8,551 | 39,740 | 45,744 |
| Premises costs | Staff time | 1,003 | 972 | 689 | 2,664 | 2,664 |
| Office costs | Staff time/Direct | 8,895 | 5,206 | 161 | 14,262 | 8,943 |
| Miscellaneous costs | Direct | - | - | - | - | 35 |
| Professional costs | Staff time/Direct | 34 | 33 | 74 | 141 | 845 |
| Communications costs | Direct | 6,493 | 2,426 | 19 | 8,938 | 14,133 |
| Travel costs | Staff time/Direct | 46 | 44 | 31 | 121 | 13 |
| Finance costs | Staff time/Direct | 472 | 248 | 176 | 897 | 911 |
| Governance costs | Staff time/Direct | - | - | 3,338 | 3,338 | 2,801 |
| Investment management costs | Direct | 2,750 | - | - | 2,750 | 2,268 |
| Total Support Costs | | 25,696 | 34,116 | 13,039 | 72,851 | 78,357 |
| Total Costs before Governance cost allocation | | 40,203 | 446,959 | 13,039 | 500,201 | 430,262 |
| Governance cost allocation | Usage | 6,620 | 6,419 | (13,039) | - | - |
| Total Costs | | 46,823 | 453,378 | - | 500,201 | 430,262 |

REACHING THE UNREACHED

APPENDIX A (NOTE 3) TOTAL RESOURCES EXPENDED COMPARATIVE FOR THE YEAR ENDED 31 MARCH 2021

| | <u>Basis of Allocation</u> | <u>Fundraising Costs</u> £ | <u>Support for India</u> £ | <u>Governance</u> £ | <u>Total</u> £ | <u>Year to 31.03.2020</u> £ |
|--|----------------------------|-------------------------------|-------------------------------|------------------------|-------------------|--------------------------------|
| Costs directly allocated to activities: | | | | | | |
| Payments to project partners: | | | | | | |
| (A) Reaching the Unreached of Village India (RTU-I): | | | | | | |
| Core funding | Direct | - | 21,165 | - | 21,165 | 1,616 |
| Children | Direct | - | 118,889 | - | 118,889 | 141,989 |
| Community outreach | Direct | - | 23,455 | - | 23,455 | 33,451 |
| Educational programme | Direct | - | 26,965 | - | 26,965 | 127,432 |
| Housing and community buildings | Direct | - | 25,891 | - | 25,891 | 93,049 |
| Medical programme | Direct | - | 15,412 | - | 15,412 | 13,805 |
| Tertiary education | Direct | - | 17,504 | - | 17,504 | 53,097 |
| Water resources | Direct | - | 3,884 | - | 3,884 | 5,665 |
| Total Gifts to Reaching the Unreached | | - | 253,165 | - | 253,165 | 470,104 |
| (B) Payment to Project Partner Jeevan Jyothi | Direct | - | 24,861 | - | 24,861 | 21,332 |
| (C) Payment to Project Partner RUADT | Direct | - | 5,609 | - | 5,609 | 12,285 |
| Total Grants Payable | | - | 283,635 | - | 283,635 | 503,721 |
| Outgoing resources: | | | | | | |
| Costs met for RTU India | Direct | - | 59,641 | - | 59,641 | 20,108 |
| Cost of raising funds | Direct | 5,700 | - | - | 5,700 | 11,538 |
| Costs of goods sold | Direct | 2,929 | - | - | 2,929 | 3,106 |
| Costs of supporter trips to India | Direct | - | - | - | - | 13,045 |
| Total Outgoing Resources | | 8,629 | 59,641 | - | 68,270 | 47,797 |
| Support costs: | | | | | | |
| Salaries and administration fees | Staff time | 7,520 | 28,429 | 9,795 | 45,744 | 45,661 |
| Premises costs | Staff time | 1,003 | 972 | 689 | 2,664 | 1,980 |
| Office costs | Staff time/Direct | 5,305 | 3,424 | 214 | 8,943 | 10,655 |
| Miscellaneous costs | Direct | 13 | 13 | 9 | 35 | - |
| Professional costs | Staff time/Direct | 34 | 33 | 778 | 845 | 839 |
| Communications costs | Direct | 9,030 | 5,103 | - | 14,133 | 8,340 |
| Travel costs | Staff time/Direct | 5 | 5 | 3 | 13 | 617 |
| Finance costs | Staff time/Direct | 478 | 254 | 179 | 911 | 867 |
| Governance costs | Staff time/Direct | - | - | 2,801 | 2,801 | 3,440 |
| Investment management costs | Direct | 2,268 | - | - | 2,268 | 2,404 |
| Total Support Costs | | 25,656 | 38,233 | 14,468 | 78,357 | 74,803 |
| Total Costs before Governance cost allocation | | 34,285 | 381,509 | 14,468 | 430,262 | 626,321 |
| Governance cost allocation | Usage | 5,810 | 8,658 | (14,468) | - | - |
| Total Costs | | 40,095 | 390,167 | - | 430,262 | 626,321 |