



**CHILDRENS HOMES IN INDIA TRUST
(CHIT)**
ANNUAL REPORT & FINANCIAL STATEMENTS
FOR
YEAR ENDING 31 MARCH 2023

Registered Charity No 1112048

Trustees

Mr Howard Mathers CBE Mrs Pauline Stanton-Saringer,
Dr Kalwant Rai, Rev'd Mary Rai, Mrs Vivien Gillman
Mrs Daphne Browne Mr Kimberley Matthews Mrs Jennifer Matthews

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Legal and administrative information

Children's Homes in India Trust	Also known as CHIT	
Registration number	1112048	
Principal address	The Lodge, Farringdon, North Petherton, Bridgewater TA6 6PF	
Email	info@chitonline.org.uk	
Website	www.chitonline.org.uk	
Trustees	Mr Howard Mathers Mrs Vivien Gillman Mrs Pauline Stanton-Saringer Dr Kalwant Rai Rev Mary Rai Mrs Daphne Browne Mr Kim Matthews Mrs Jennifer Matthews	Chair Treasurer Secretary <i>appointed 3rd Sept 2022</i> <i>appointed 3rd Sept 2022</i>
Bank	Lloyds Bank 47 Milsom Street Bath BA1 1DN	

Changes in year

No changes to the charity's governing document were made during the year 1 April 2022 - 31 March 2023.

A personal statement from the Chairman

In last year's report I reflected on the challenges of coming out of COVID and lockdown, both for the children in re-entering the homes and education, and to fill gaps in the staff team. Much of this has improved, albeit the older children have taken longer to adjust, and operations in India have returned to normal.

Financially, this year has been assisted by the modest surplus we built up during the COVID lockdowns when we could only give limited help to the children in lockdown. This, together with some specific gifts has enabled us to complete the playground dividing wall requested by the regulator, and to commit to two major capital investments on the site in Bapatla.

The first of these is a new 4 storey water tower to replace the one we built in 2009 whose life has been severely reduced by the harsh weather conditions. The second is to provide a dedicated power supply from the high voltage grid through a new transformer to improve the reliability and quality of the supply. We argued that as other properties had impacted our supply, this was the responsibility of the supply company, but to no avail.

Operationally the main development has been to launch a day care centre for infants and primary age children at the nearby colony of the Yanadi tribe. We had previously supported them with food and essentials during the COVID lockdowns in 2020-2021.

While this indicates a positive outlook for our work in India, we are mindful that the rising cost of living in UK is making it harder for our supporters to maintain their levels of giving, but, it has to be said, they have been extremely faithful, and we and our Indian friends, remain as grateful as ever for their generosity.



Howard Mathers

Trustees' Annual Report

The CHIT Trustees present their annual report and the financial statements of the charity for the year ended 31st March 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008.

The origins of CHIT

CHIT was formed on 4 September 2005 with the initial purpose of raising funds for two Children's Homes in Andhra Pradesh, South India. The Homes, formerly associated with Goodwill Children's Village Society, had lost their primary source of income and the Indian Committee had begun to liquidate the assets of the Society by selling a third Home in order to provide for their work as long as possible. Upon their discovery of this situation, two former supporters of the Homes determined to re-establish a fund-raising base in the UK, which with growing success could in due course benefit other projects within its scope. CHIT obtained charitable status on 14 November 2005.

Structure, governance and management

The trust is a registered charity, number 1112048, and is constituted under a trust deed dated 29 October 2005. The objects of the trust are:

The relief of poverty, sickness and distress; the advancement of education; in particular, amongst children in India, by the provision and maintenance of Children's Homes and associated projects, educational services and materials, in accordance with Christian principles.

The primary activity of CHIT is publicising the needs of and raising financial support for Children's Homes operated by a partner charity in South India, Christiana Children's Homes, in the town of Bapatla and the village of Nidamaru, both in the state of Andhra Pradesh. The children cared for are provided with all their physical, pastoral and social needs and an appropriate education. Fund-raising is achieved through personal contacts of the trustees known to be sympathetic with its objectives, through emerging speaking engagements, and through diverse fund-raising events. A newsletter is published to existing supporters two or three times a year to illustrate the effectiveness of their donations and to draw attention to new needs.

The Indian charity (Christiana Children's Homes) is a wholly indigenous organisation that is governed by India's charity regulations, including its registration under the Foreign Contribution Regulation Act (FCRA). The planning and financial cycle starts in January when the Indian charity presents to a visiting party of CHIT trustees their assumptions, objectives, and budgetary requirement for the year starting in April. The review meetings consider trends, long term implications of plans, and the capacity of CHIT to make the financial commitment requested. Subject to any amendments CHIT may request, the plan and budget is approved at a meeting of the whole body of CHIT trustees, usually in March. Emergent changes in the budget (e.g. resulting from a crop failure or monsoon damage) are agreed by the CHIT trustees on a case-by-case basis. In agreeing the financial commitment, the CHIT trustees also satisfy themselves that the plans are consistent with the objects of CHIT and the long term expectations given to supporters. The annual cycle is usually closed during the following January when the visiting CHIT trustees review the way that resources have been used against those plans. During the Covid 19 pandemic, it was possible to visit, but the meetings usually convened were held by electronic link.

CHIT aims to keep reserves of between three and six months' Indian operating costs to insure against economic shocks. It is CHIT's policy not to hoard money which has been given to help destitute children, and if reserves should approach 12 months' running costs, consideration would be given to extending the work within the scope of CHIT's objects.

Grants are transferred to India approximately monthly using foreign exchange agent, TORFX, which was selected in 2012 on the basis of superior speed, reliability and cost over bank-to-bank transfers.

New trustees are appointed by the existing trustees. The deed specifies no period of office, but requires a minimum of three trustees at all times. In view of the infrequency of such appointments and the small size of CHIT, a dedicated process for the appointment and induction of new trustees is not maintained, although the

deed requires that as a minimum they are to be provided with the deed and any changes to it, and the latest annual report and statement of accounts. In practice, when considering a new appointment, the trustees will consult the Charity Commission guidelines (RS1) and readily available best practice.

The trust has no employees and does not conduct any trading activity.

Benefits

The primary beneficiaries of the trust's activities are up to 250 children and young people under the care of Christiana Children's Homes. Normally each June destitute families and guardians apply to Christiana Children's Homes to take their children, and selection is made primarily on the basis of parental capability. Typically a total orphan has top priority, a lost mother second priority and a lost father third. Children enter from age 6, and can expect to receive full board, including a safe home, clothing, a balanced diet and medical treatment, and education until they complete their secondary education. Beyond this, depending on their level of attainment, they will also receive assistance with the cost of vocational, further or higher education. The end result is confident young people with an educational foundation that equips them for employment and to contribute to their community in ways that would have been made impossible by their poverty and lack of opportunity.

A second group of beneficiaries is perhaps about 120 local children who attend the Bapatla School that is largely funded by a block grant made by Christiana Children's Homes, and occasionally enhanced by some donations from UK supporters, shown as restricted income in the Financial Statements. This has been expanded as a result of the successful introduction of a kindergarten. The school is now able to teach all subjects in English to all year groups, which is prized by, but otherwise unlikely to be accessible to, many children in the area. So an incidental benefit is the enhanced education children in the Bapatla Home are able to enjoy.

In year performance 2022-2023

The general Mission statement included is reproduced in full at Annex A.

The prayer vigil started in 2010 continued every Saturday at 1800 in India, 1230 (1330 in summer) in UK.

The Indian Management presented a budget of Rs 10,116,570 Rupees, a 10 percent increase on the previous year's budget although ameliorated by an improved exchange rate. This was agreed at a CHIT Trustees meeting of 26th March 2022. At the exchange rate then applying (95 Rs:£) this budget was roughly equivalent to £106,490. At the same time, the Trustees were made aware of several potential capital projects which were considered by the CCH Trustees as being of great importance to the future viability of CCH. CHIT trustees prayerfully agreed to a further £20,000 to cover those items. The actual outcome was detrimentally affected by an reduced exchange rate averaging Rs 92.68 :£ over the year.

For our supporters. We remain constantly grateful to all the regular supporters and sponsors, to those who host special events to raise funds, and to those who give their time, not least in praying for the staff and the children in India, without which nothing we have said in this report would have been possible.

Objectives for the year and performance

As far as the specifics of the Mission statement are concerned, the Indian activity supported by CHIT has maintained its outputs and continues to set the following objectives:

- Provision of accommodation, food and clothing for around 250 children (varying through the year). Dietary supplements and medical attention are also given, and large stocks of medicines and vitamins provided. Due to changing regulations in India pertaining to children in care, and reducing income streams, provision has since been agreed for a target number of 200 children.
- Support for up to 25 HIV+ children and young people, in their own homes.

- The provision of Education for all the children, from primary to further education (the latter covering college courses, vocational training (e g nursing) and polytechnic and university degrees. At Bapatla the primary and secondary school, funded partially through the Children's Home (including increased support from donors in the USA), continues to take in additional children from the local area. A steady stream of school leavers are sent to the Industrial Training Centre next door which is administered by the same indigenous charity as the school. Gaining something of an apprenticeship they have an excellent prospect of employment. The children at Nidamaru go to the local State-run school which also teaches in English Medium.
- The members of staff in the Homes and School express their Christian faith through a patient and loving approach to the children and each other.

Statistics on the application of finance raised by CHIT to deliver the accommodation, food and educational objectives are provided at Annex B. Other aspects of the Mission statement are reflected as follows:

- CHIT Trustees recognize their personal limitations in meeting the fund-raising targets and express (in newsletters, presentations and as here) their dependence on God and his Son, Jesus Christ. This has become the unifying theme in our joint meetings with the Indian Management Committee, which are centred on a time of prayer, the outcome of which we consider again to have been instrumental in our success over the years, and the relative safety of our children and staff in India throughout the continuing effects of the Covid-19 pandemic.
- CHIT welcomes gifts from organisations or individuals who do not profess a Christian faith but wish to participate in the life-changing work.

We continue to focus on providing care for the most needy local children and giving them the opportunity to escape from poverty via the best education that can be provided. This focus has not changed and we continue to encourage our Indian partners to recognise that this is where they will attract the strongest support. Our activities during this year continued to include the support of families of the children, and also some local tribes people, whilst they were unable to work, and subject to Government imposed Covid-19 restrictions. A retainer continued to be paid during lock-downs to permanent employees so as to maintain the House and School teams.

The Indian Government has been inspecting the Homes and required a 2 metre high brick wall to be built separating the boys' and girls' play areas. Changes in the requirements for the care of children other than in their own family homes have meant that in 2023 there is a change in Inspection regimes and the full effects of that have yet to be confirmed. In the meantime the Homes have fully satisfied the inspections and checks, including the involvement of parents and guardians where appropriate or required.

Objectives for 2023-2024. Our main concerns will be

- to address the changing priorities for the education of the children, and further monitor attainment and behaviour as they re-adjust to routines and work ethic at school and in the Homes
- finding ways to work with the requirements being demanded by the changing systems of Inspections of the Homes,
- to focus on strategies to address the changes being forced upon us by emerging climate change, political and financial conditions in the UK and in India.
- to monitor any further effects of the Covid-19 pandemic on the provision of the above objectives in the UK and in India, and to put in place strategies to address any perceived difficulties.
- The Trustees continue to monitor the effects on NGOs in India through their registration under the Foreign Contribution Regulation Act (FCRA). Our registration is approved and there should be no need to apply for renewal for the next five years. A watching brief is observed concerning any other possible difficulties.

Critical success factors

In the area of **financial regularity**, the auditor for the Indian management provides information to CCH by means of an audited set of Financial Statements after the year end.

Certificates of Foreign Contribution (Indian FCRA form FC-3) are made available when CHIT trustees visit the Homes, but confirmation of the transfers is provided through TORFX contract details.

Trustees have been unable to visit the Homes in person again this year, but have monitored activities via occasional on-line meetings with CCH Trustees and weekly online meetings with the staff. It is anticipated that Trustee visits will resume in early 2024.

In the area of **child protection**, the CHIT Trustees audit the Director's records of the welfare of each child and find them very satisfactory. An independent advisor continues to visit with no adverse reports. The Trustees believe that the children are in good heart and have no concerns about their general welfare while in the Homes.

The **health** of the children is normally closely examined and monitored by the Trustees, and tabulated statistics, kept by the staff, demonstrate an improvement in the children's growth and physical well-being. Changing behaviour patterns and the social integration of the children into a narrowly traditional society, together with the effects of the pandemic, continue to be a challenge that invites some sustained input from the UK trustees.

In our **marketing** we continue to sustain our support base by providing updates to our list of supporters. Regular giving again decreased from £56,344 in 2021-2022 to £50,327 this year. Ad hoc gifts totalling £8,328 last year saw an improved total of £11,286 this year. Personal contacts have continued to be the main source of any **new support**, and developing this network remains a major target for Trustees; the Trustees are also aware of the seniority of our main body of supporters, and that some have also experienced a reduction in their circumstances over the past 2 years. Weekly telephone texts to some who pray for us, regular monthly updates emailed, and occasional emailed and printed ChitChat newsletters enhance our communications with supporters, and occasional talks, in person or by electronic media, can be given to interested groups, including to a regular very successful Curry Evening held in Kenilworth. Considerable effort has been put into improving our Internet visibility and the new website appears to be successful.

A review of data held and accessed has been conducted to comply with the General Data Protection Regulations 2018 (GDPR) and data is held securely by the current Trustees.

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 of the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the charity will continue in business.

The Trustees declare that they have approved the report above. Signed on behalf of the charity trustees:

Signed on paper copy..... **Mr HL Mathers** **Date**

Signed on paper copy ... **Mrs VJ Gillman** **Date**

Annex A to the Annual Report

CHIT Mission originally prepared for the opening Business Plan

To raise funds to enable Christian Partners in India in:

- The relief of poverty among children by providing accommodation and wholesome food
- Providing educational services including schooling up to and including secondary education and grants to support tertiary education
- Facilitating the spread of Christianity through Christ-like service, sharing Christian truth, and praying for the effect of the Holy Spirit

To develop a characteristic ethos that expects fundraising to be the successful combination of obedience in action and faith in the power of Christ.

To encourage donors in their faith in demonstrating the faithfulness of God in answer to prayer.

The Trustees reviewed the scope of CHIT's mission in the light of the discussions at the tenth Anniversary celebrations and continue to re-assess those but have found no reason to change.

Annex B to the Annual Report

APPLICATION OF FUNDS – 2022-2023

Covid-19 Impact

There are no material uncertainties about the Charity's ability to continue as a going concern, despite the potential impact of any re-emerging pandemic control measures.. The Charity has sufficient reserves to meet these challenges for the next year.

Income

The number of regular donors has again diminished slightly but together with Trustee donations and income tax recoveries, this has provided well over two thirds of our unrestricted income. For the remainder we continue to be dependent on single gifts, which vary considerably in size and number.

Recovery of income tax is received in arrears via Gift Aid claims. At the end of 2022-2023, £9,234.25 was due from HMRC and received on 6th September 2023 but in accordance with CHIT accounting policy has not been recorded.

Trustee policy for investment

We have continued to hold funds in an interest earning savings account, and are pleased that the interest rate applicable has improved. The lowest total cash assets at bank being £62,317 in March 2023.

Expenditure

Expenditure in 2022-2023 was £95,285 comprising £285 for UK expenditure and £95,000 transferred to India.

UK expenditure comprised Bank charges and office costs such as postage and stationery. We continue to administer the UK Charity without any paid staff. Total expenses comprised just 0.36 of a percent of the total income. Trustees' personal donations continue greatly to exceed any administration expenditure.

A certificated Annual Report for Christiana Children's Homes is due to be received from the Indian firm of Chartered Accountants.

CHILDRENS HOMES IN INDIA TRUST
ANNUAL REPORT FOR YEAR ENDED 31 MARCH 2023

FINANCIAL STATEMENT FOR YEAR ENDED 31 MARCH 2023
RECEIPTS & PAYMENTS

Charity name Children's Homes in India Trust (CHIT)

Charity number 1112048

For the period from 1 April 2022 to 31 March 2023

Receipts and Payments

	Unrestricted funds, to nearest £	Restricted funds, to nearest £	Endowment funds, to nearest £	Total funds, to nearest £	Last year funds, to nearest £
Receipts¹					
Trustee donations	5,351	1,000	-	6,351	9,244
Regular commitments	50,327	-	-	50,327	56,343
Single gifts	9,786	1,500	-	11,286	9,822
Tax recovered	11,198	-	-	11,198	20,347
Receipts from operating activity	-	-	-	-	-
Bank interest	117	-	-	117	117
Subtotal	76,779	2,500	-	79,279	95,763
Total receipts	76,779	2,500	-	79,279	95,763
Payments					
Grants made to India	95,000	-	-	95,000	71,000
Bank/agency charges	128	-	-	128	127
Advertising ²	-	-	-	-	-
Travel & subsistence costs ³	-	-	-	-	-
Office & fundraising ⁴	157	-	-	157	216
Subtotal	95,285	0	-	95,285	71,343
Total payments	95,285	0	-	95,285	71,343
Surplus/(deficit)		-	-	(16,005)	24,420
Cash funds last year end¹	78,323	-	-	78,323	53,903
Cash funds this year end⁵	59,818	2,500	-	62,318	78,323

Notes to the statement of Receipts and Payments

1. The following accounting policies are adopted by CHIT:
 - a) Recognition of receipts and payments as follows:
 - i. i Receipts include all cheques presented to the CHIT general account and all payments net of income tax reported to CHIT by Stewardship, both up to and including 31.3.23. Income tax reclaimed by Stewardship is recognized where receipt is shown in the statements to 31.3.23.
 - ii. ii Payments include all cash withdrawals and authorised transfers from the CHIT general account up to and including 31.3.23.
 - b) Payments made by donors in respect of specific requests for identified expenditure are recognised as Restricted Funds and reported accordingly.
 - c) As the financial statements are prepared on a cash basis, the recovery of Gift Aid is shown in the month it is received during the next Financial Year.
2. No payments were made for advertising during the year
3. There were no Travel and Subsistence Expenses paid in year.
4. Office and fundraising expenses include printing and postage costs.
5. Towards the end of the accounting year, new projects were identified and a request made to supporters for additional help. In the month of March 2023 donations totalling £2,500 had been received prior to commencement of the work required. These projects were - the reconstruction of the water tower and the provision of a small day care centre shelter for the Yanadi children, as mentioned in the Chairman's personal statement on page 3.

STATEMENT OF ASSETS AND LIABILITIES

Cash Assets	Unrestricted funds, to nearest £	Restricted funds, to nearest £	Endowment funds, to nearest £
Cash funds ¹	59,818	2,500	-
Other monetary assets ²	24	-	-

Other Assets	Fund to which asset belongs	Cost	Current value
Gift Aid Debtor ³	Unrestricted	-	9,234

Liabilities	Fund to which liability relates	Amount due	When due
Outstanding bills at 31.3.22	-	-	-

Notes to the statement of Assets and Liabilities

1. Includes cash held in the charity's current and instant access investment accounts.
2. When Rupees are held as petty cash.
3. Gift Aid Debtor for year to 31st March 2023 received 06 /09/ 2023

Signed on behalf of the charity trustees:

...signed on paper copy Mr HL Mathers

...signed on paper copy.... Mrs VJ Gillman

..... **Date**

Independent Examiner's Report to the Trustees of Children's Homes in India Trust (Charity no 1112048)

I report on the accounts of the Trust for the year ended 31 March 2023, which are set out on pages 10 to 12.

Responsibilities and basis of report As the charity trustees, you are responsible for the preparation of the accounts in accordance with the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Nicola Stuffins
20 Winchester Road
Bath
BA2 3LF

22/01/2024