



**UMN Support Trust**

**Report and accounts**

**For the Year Ended 17 September 2022**

## **Report and Accounts Contents**

<b>Legal and Administrative Information</b>	<b>Page 3</b>
<b>Independent Examiners' Reports</b>	<b>Page 4</b>
<b>Directors and Trustees Report</b>	<b>Page 5</b>
<b>Financial Activities (including Income and Expenditure Account)</b>	<b>Page 10</b>
<b>Balance Sheet</b>	<b>Page 11</b>
<b>Notes to the Financial Statements</b>	<b>Pages 12 - 13</b>

## **Legal and Administrative Information**

**Members of the Company, all of whom  
are appointed as Directors and Trustees**

Alan Penn  
Christopher Mark Galpin  
Richard Hugh Sykes  
Joel Andrew Hafvenstein  
David Andrew Rodgers

**The following were appointed in this current year**

Peter Stuart Lockwood (Nov. 2021)  
Dhana Lama (Jan. 2022)  
Caroline Anne Trimble (Jan 2022)

**Secretary**

Alan Penn

**Registered Office**

97 Eastern Avenue  
Chippenham  
Wiltshire  
SN15 3SF

**Coordinating Trustee and primary contact**

Alan Penn

**Bankers**

Lloyds Bank  
PO Box 1000  
BX1 1LT

**Date of Incorporation**

18 September 2012

**Company Number**

8219609

**Date entered onto Register of Charities**

30 April 2013

**Registration number**

1151842

**Website**

[www.UMNSupporttrust.org](http://www.UMNSupporttrust.org)

**Independent Examiners**

ASM (D) Ltd

## **Independent Examiner's report to the Trustees of UMN Support Trust**

We report on the financial statements of the UMN Support Trust for the year ended 17 September 2022 as set out on pages 10 to 13

### **Respective Responsibilities of Trustees and Examiner**

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

Having satisfied ourselves that the charity is not subject to audit under company law and is eligible for independent examination, it is our responsibility to:

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

### **Basis of the Independent Examiner's Report**

We have examined your charity accounts as required under section 145 of the Charities Act and our examination was carried out in accordance with the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act.

Our examination included a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also included consideration of any unusual items or disclosures in the accounts and seeking explanations from you as charity trustees concerning any such matters.

Our role is to state whether any material matters have come to our attention giving us cause to believe:

1. That accounting records were not kept in accordance with section 130 of the Charities Act
2. That the accounts do not accord with those accounting records
3. That the accounts do not comply with the accounting requirements of the Charities (Accounts and Reports) Regulations 2008
4. That there is further information needed for a proper understanding of the accounts to be reached.

### **Independent Examiner's Statement**

We have completed our examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission, we have found no matters that require drawing to your attention.

Signed: 

Name: ASM (D) Ltd

Address: 79 Cunninghams Lane, Dungannon, Co Tyrone, BT71 6BX

Date: 04 March 2023

## **Report of the Directors and Trustees for year ending 17 September 2022**

The Directors, who are also the Trustees of the charity, have pleasure in submitting their report for the year. The Directors, all of whom served as Trustees, are listed on page 3, and this, together with the other statutory information, forms part of this report.

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

UMN Support Trust ('UMNST') was incorporated on 18 September 2012 and is governed by the Articles and Memorandum of Association that were put in place at the time of incorporation. There have been no changes since incorporation.

A minimum of two, and up to five, Trustees can be appointed by the members (currently Alan Penn, Christopher Mark Galpin, Joel Hafvenstein, Richard Sykes, and Peter Lockwood). **United Mission to Nepal ("UMN")** can nominate UMNST Trustees provided that the nominated Trustees do not form a majority and the total number of Trustees does not exceed ten or be less than three. David Rodgers, Dhana Lama and Caroline Trimble are the current Trustees nominated by UMN. New Trustees would be expected to have some experience in the operation of charities, development work to alleviate the root causes of poverty and preferably some understanding of Nepal and the needs of the poorer and poorest communities.

J. A. Hafvenstein was the Executive Director (E.D.) of UMN based in Kathmandu until November 2021. D. A. Rodgers lives in the UK and has been a UMN board member since May 2019; C.M. Galpin was a previous ED of UMN and R. H. Sykes was a UMN Board member until May 2019, P. Lockwood has many years of experience at UMN. D. Lama is the current UMN Executive director, and C. Trimble is a UMN Board member. A. Penn, the UMNST Administrator, was the Funding Management Coordinator for UMN in Kathmandu for nearly six years until returning to the UK in October 2012.

### **Objects, Activities and Public Benefit**

UMNST is an independent Christian charity focusing on addressing poverty primarily in Nepal by, but not solely, promoting the charitable purposes of UMN, an International Non- Government Organisation that has worked only in Nepal for 68 years to alleviate poverty.

Support will be given to specific community-based poverty alleviation programmes undertaken by UMN's Nepali partner organisations by publicising, promoting and financially supporting those programmes. UMN's contribution of advising and field monitoring of the projects and simultaneously capacity building the partner organisations will also be included in the budget of the programmes that UMNST supports.

In addition, UMNST will publicise, promote, and support the work of UMN Medical and Development Trust (UMN MDT). UMN MDT is a Nepali organisation founded in 2021 to hold and coordinate the work of the two rural mission hospitals, Tansen and Okhaldhunga. These were founded in 1954 and the early 1960s and were previously part of the UMN group of organisations. UMN MDT will also undertake development work. UMN and UMN MDT have the same Board members who are a mix of Nepali and expatriates.

## **MAJOR EVENTS**

### **Succession planning**

Given the age of two of the trustees (Alan Penn being one of them), Dr David Rodgers, recently retired, has been working in parallel with Alan during 2021-22, intending to take over the administration role during the financial year 2021-22. David has obtained new charity software, which he has been using since September 2021, with Alan running his old system in parallel.

There have been three additional trustees appointed after the 2020-21 year. They bring a wealth of relevant experience and will strengthen the board.

### **Hospital Grants**

All grants for the hospitals at Tansen and Okhaldhunga are made through UMN MDT. These grants consisted of designated and undesignated funds; undesignated funds are used at the discretion of MDT.

The amounts granted to UMN MDT during the year was £78,750 as follows:-

- **Okhaldhunga Hospital**
  - **£14,150 - Community Rehabilitation Project**
  - **£13,650 - General Hospital Expenses and Equipment**
  - **£1,100 - Medical Assistance Fund (to Assist those who cannot afford to pay the total cost of treatment)**
- **Tansen Hospital**
  - **£50 – Rehabilitation Fund**
  - **£23,350 – General Hospital Expenses and Equipment**
  - **£8,900 – Medical Assistance Fund (to Assist those who cannot afford to pay the total cost of treatment)**
- **UMN MDT**
  - **£3,750 – Save Our Hospitals Appeal – to be apportioned by UMN MDT between Okhaldhunga and Tansen**
  - **£800 – New Life Centre Tansen as designated by donor**
  - **£5,000 – UMN MDT Administration Costs**

### **Development Grants – UMN MDT**

- **£8,000 - Hospital and Community Mental Health Programme**

Mental health is a neglected problem in Nepal. A national mental health survey in 2020 showed that among the adult participants, 10% had had a mental problem in their lifetime, and 4.3% had a mental disorder at the time of the survey. Suicide is the leading cause of death among women of reproductive age (15-39 years of age), with 21% of these suicides below the age of 18.

Okhaldhunga hospital had over 350 patients with mental health issues in twelve months, and Tansen had 2657. Within these, 160 patients had attempted to take their own lives by suicide. The total programme cost to address this problem is over £400,000 in 2022.

**Development Grants to United Mission to Nepal**

**- £19,000 + £3,500 – Disability Project Year 2**

This grant is for year two of a three-year programme with UMN working with 24 partner organisations to improve the inclusion of persons with disabilities in any development interventions they undertake. In doing this, they need to ensure that children with disabilities are undergoing assessments and referrals for quality medical rehabilitation interventions. The World Health Organisation states that as many as 15% of the Nepali population have disabilities and are usually not involved in or benefit from any development activities. This exclusion is mainly due to them being judged to be worthless or cursed, often because it is thought that the disability is due to a 'sin' being committed by them (or a parent) in a previous life.

**- Gift a Kit Project - £2,500**

Girls are often excluded from school attendance and activities during their menstrual time. This programme provides the materials to enable girls to make sanitary wear giving them the confidence to attend school during these times.

**- £10,000 – Civil Peace Project in Nawalparasi district (UMN)**

Nepal has 125 ethnic groups and a range of religions from the majority Hindu religion, followed by Buddhism, Islam, Christianity and some lesser-known local beliefs. The state restructuring process from a unitary to a federal governance system in 2015 brought about a new level of inter-religion, inter-ethnic tensions, and violence.

Gender discrimination and domestic violence towards women have created a sense of insecurity, fear, and low self-esteem among many groups of women.

The three-year programme aims to form community groups to discuss the problems and to introduce, monitor and review trial solutions. The full year one project cost is EUR 63,800.

**- £15,000 Quality Education Programme in Bajhang District**

Bajhang district's poverty rating places it at 74 of the 77 districts in Nepal.

This is initially a three-year programme to improve the quality of teaching and reduce the early drop-out rate in a range of 30 schools in Thara province. Year one total cost is EUR 123,200.

The programme will concentrate on thirty schools addressing seven key education objectives, including - inclusion of children with disabilities or from marginalised castes, improved quality of education, improved management and governance of schools, enhanced child-friendly classrooms, duty bearers made accountable for quality education, local government's responsibility for quality education understood, and education system of local governance improved.

**Sources of Income**

Income is received from individuals, small organisations, church groups and trusts

- known to the UMNST Trustees or who know or learn of the work of UMN and its two hospitals.
- Or who know or learned of and understand the significant physical, financial and resource needs of a large portion of the population of Nepal.
- Or who wish to encourage and support the practical experience that small Nepali organisations are gaining by working with UMN's experienced staff on projects to address some of the priority poverty areas within their community.
- UMNST has also benefitted from bequests from former supporters or expatriates who have

UMNST's PayPal account offers the ability to receive eleven different currencies and publicity of this account has facilitated some overseas financial support.

UMNST is holding £840,000 of UMN's reserves in a loan account which is repayable to UMN on 28 days' notice. Income from the investment of these funds forms part of UMNST's income.

### **Outgoings**

UMNST will keep its costs to a minimum.

- All of the Trustees provide their services voluntarily. They can monitor some of the work in Nepal at negligible personal cost. One of the Trustees is based in Kathmandu, and another visits Nepal at least twice a year for other purposes.  
The Trustees have no desire to build significant reserves but may smooth out a large inflow of funds or carry over funds received late in the financial year.
- The Trustees are not able to consider unsolicited requests for funding as all of the current Trustees are already familiar with a significant number of charitable needs and organisations that are addressing poverty in Nepal.

The Trustees confirm that they have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives, planning activities, setting the grant-making policy and monitoring the fund's usage.

### **Projects for 2022/23**

- UMNST will continue publicising and supporting any natural disaster in Nepal requiring a response from UMN or its Nepali partner organisations.
- UMN and UMN MDT will identify community projects that require funding assistance for UMNST to consider for promotion.
- UMN's Mission hospitals at Tansen and Okhaldhunga will continue to receive support via UMN MDT.
- Some supporters will undoubtedly favour specific areas of the work of UMN and its hospitals. UMNST will ensure they make grants to and monitor appropriate projects to ensure that funds granted were used effectively per the supporters' wishes.

The Trustees are unlikely, at this time, to widen their area of support in Nepal.



### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Report of the Directors and the financial statements under the applicable law and regulations. Company law and the Charity Commission require the Directors to prepare financial statements for each financial year. The Directors have elected to prepare the financial statements under the charity's 'Statement of Recommended Practice (revised 2005)' and under the requirements of annual Corporate reporting and taking into account the fact that the company is a 'small' company. The Directors must only approve the financial statements if they are satisfied that they give an accurate and fair view of the company's state of affairs, its income and expenditure for that period, and its charitable status. In preparing these financial statements, the Directors are required to

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- Prepare the financial statements on an ongoing basis unless it is inappropriate to presume that the company will continue to operate.

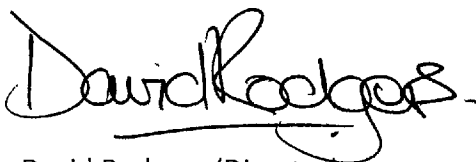
The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements meet the requirements of the Companies Acts and the Charity Commission. They are also responsible for safeguarding the company's assets, ensuring that the funds are used properly and transparently for the benefit of those suffering from personal, community or institutional poverty in accordance with the charity's objectives, and for the prevention and detection of fraud and other irregularities.

### **Directors' Interests**

No director has had any beneficial interest in any contract or arrangement of a material nature with the company during the period under review.

### **Report Approved by the Directors (who are also Trustees) on 04/03/2023**

The company has taken advantage of the small companies' exemption in preparing the Directors' report.



David Rodgers (Director)

## Statement of Financial Activities (including Income and Expenditure Account) for the year (12 months) ending 17 September 2022

### Operating Account

	Note	Undesignated Funds	Restricted Funds	Total Funds	Previous Total
INCOMING RESOURCES		2021/22	2021/22	2021/22	2020/21
Sales processed on behalf of UMN	1	-	390	390	341
Donations - UMN		-	43,034	43,034	27,954
Donations - MDT		-	67,844	67,844	638,049
Donations - Unrestricted		5,760	-	5,760	-
Investment Income	2	11,410	-	11,410	9,813
Bank Interest		13	-	13	-
UMN Oxygen Appeal		-	-	-	61,724
Gift Aid – UMN		-	4,912	4,912	9,017
Gift Aid – MDT		-	5,160	5,160	8,522
Gift Aid - unrestricted		1,445	-	1,445	-
Total incoming resources		18,628	121,340	139,968	755,420
Sales – due to UMN		10	390	400	341
Grants - MDT		13,219	65,531	78,750	843,438
Grants –UMN Oxygen Projects		-	-	-	67,220
Grants – UMN Projects		5	49,995	50,000	53,700
Management & administration	3	995	161	1,156	-
Total resources expended		14,229	116,077	130,306	964,699
Nett movement		4,399	5,263	9,662	-209,279
Operating Funds brought forward		500	36,759	37,259	246,538
Operating Funds carried forward		4,899	42,022	46,921	37,259

### Investment account

Unrealised gains / (losses) on investments		-	(77,241)	(77,241)	175,542
Value of Investments		-	1,136,487	1,136,487	1,213,728
Value of Loan to be Repaid		-	840,000	840,000	840,000
Nett investment value carried forward		-	296,487	296,487	373,728

### Total Funds

Total Funds carried forward		4,899	338,509	343,408	410,987
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## **Balance Sheet - For the year ending 17 September 2022**

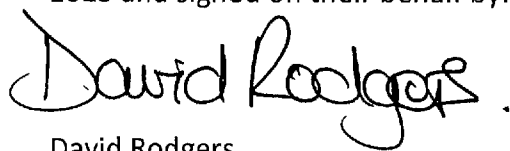
	2021/22	Notes	2020/21
<b>Fixed Assets</b>			
Intangible Assets	-		-
Tangible Assets	-		-
Investments	-		-
<b>Current Assets</b>			
Stocks	-		-
Debtors	1,137	4	77
Value of Investments	1,136,487	5	1,213,728
Cash at bank and in hand	45,784		37,182
<b>Current Liabilities</b>			
Creditors – loans falling due within one year	840,000	6	840,000
Other, UMN sales	-	6	-
<b>Total assets less current liabilities</b>	<b>343,408</b>		<b>410,987</b>
Creditors– amounts falling due after more than one year	-		-
<b>Nett Assets</b>	<b>343,408</b>		<b>410,987</b>
<b>Funds Balance Carried Forward</b>	<b>343,408</b>		<b>410,987</b>
<b>Designation of Balance</b>			
Undesignated	4,899		500
Restricted funds, UMN	34,158		36,400
Restricted funds, MDT	7,864		329
Restricted funds – Nett unrealised value of investments	296,487		373,728

For the year ending 17/9/2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question under section 476 of the Companies Act 2006 relating to small companies.
- The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared per the provisions applicable to companies subject to the small companies' regime.

Accounts were approved by the Directors, who are also the Trustees, on 04 March 2023 and signed on their behalf by:



David Rodgers

## Notes forming part of the Financial Statements for the year ended 17 September 2022

### Accounting Policies

The principal accounting policies are summarised below.

#### Basis of accounting

The accrual accounts and financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005 and in accordance with the special provisions applicable to companies subject to the small companies' regime.

#### Fund accounting

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

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of a funding appeal for specific projects.

#### Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to and virtually certain to receive the income, and the amount can be quantified with reasonable accuracy.

The following policies are applied to particular categories of income:

Voluntary income is received through grants, donations and gifts and is included in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities and the value of volunteer services have not been included in these accounts.

Investment income is included when received.

Incoming resources from charitable trading activity are accounted for when earned.

#### Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

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

### **Loans Received**

UMNST has received loans from related organisations. These funds have been invested either in established charitable investment funds or through a financial firm which manages a portfolio of investments on behalf of UMNST. The loans have no fixed maturity date and are interest-free. They are subject to repayment upon 28 days' notice, at the lower of the realisable value of the related investments and the principal amount of the loan. Therefore, no loss will be incurred by UMNST. Any interest or dividends received or realised gains will be used by UMNST for charitable grants in line with UMNST's aims and in line with any acceptable restriction by the lender.

### **Note 1. – Sales.**

UMNST allowed UMN to use UMNST's PayPal facility on the UMN website to sell calendars, Christmas cards and a commemorative book. UMNST passed 100% of the proceeds to UMN and therefore incurred no profit or loss.

### **Note 2 – Investment Income**

As described above under 'loans received'. UMN Support Trust receives dividend payments from the investment managed by Smith and Williamson, (now called Evelyn).

### **Note 3 – Management Costs**

Management costs consist of bank charges from PayPal (£171.21), Bank charges from Lloyds Bank for transfers to the MDT account in Kathmandu (£85), and fees payable to Anthony Collins Solicitors for a legal opinion received (£900)

### **Note 4 – Debtors**

HM Revenue and Customs for Income Tax refunds made under the UK Gift Aid scheme.

### **Note 5 – Investments held as Current Assets**

The underlying investments are valued at market value at 17 September 2022

- COIF Charities Investment Fund Accumulation Units (£194,969)
- Schroder Charity Multi-Asset Fund (£152,213))
- Smith & Williamson Investment Services – managed portfolio (£481,584)
- Link Solutions – Trojan Fund 'S' Accumulation Units (£307,721)

### **Note 6 – Creditors – amount falling due in less than one year**

Loan from UMN subject to 28 days' notice of repayment and valued at the lower of the market value of the related investments or original loan amount of £840,000.

There is no amount due to be paid to UMN for sales made up to September 2022.

### **Note re Taxation**

As a charitable company UMNST is exempt from tax for the income of the charity under sections 466 to 493 of the Corporation Tax Act 2010.