

Charity number: 209168

FRIENDS OF VELLORE UK

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
REGISTERED CHARITY No 209168**

FRIENDS OF VELLORE UK

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FRIENDS OF VELLORE UK

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees:

Mr Dayalan Clarke, Chair

Dr Easterine Mills-Clarke, Treasurer

Dr Ajit Butt

Dr Susan Das

Prof Mike Keighley

The Very Rev Dr Isaac Poobalan

Dr Thomas Pulimood

Dr Arabella Onslow

Mr Richard Rajamanickam

Dr Johnson Samuel

Mr Hugh Skeil

Charity registered number:

209168

Principal office:

2A Chalk Lane, Cockfosters, Barnet, EN4 9JQ

Auditors:

Chater Allan LLP

7 Quay Court

Colliers Lane

Stow-cum-Quay

CB25 9AU

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The trustees present their annual report and financial statements of the charity for the year ended 31 December 2021. 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 constitution, the Charities Act 2011 and 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.

OBJECTIVES AND ACTIVITIES

The principal object of the charity is to support healthcare and education in India which is arranged in partnership with the Christian Medical College (CMC) at Vellore in Tamil Nadu. Priority is given to the needs of the poorest and most excluded people and communities.

ACHIEVEMENTS AND PERFORMANCE

The charity has a strong relationship with CMC through building and maintaining relationships with key influencers in the hospital. Through regular visits to CMC, the charity continues to find innovative ways to enable CMC to increase its reach to poor and deprived communities and to initiate new 'value-added' sustainable services whilst not committing to fund staff who are part of the permanent establishment of the hospital.

The charity is seeking to enhance its online presence to better engage with younger supporters. Quarterly email updates and twice yearly newsletters inform supporters of the projects the charity supports. Closer working with the CMC Alumni Association is providing opportunities to engage with an interested group.

REVIEW OF THE YEAR

Friends of Vellore UK supports projects at Christian Medical College Vellore, and other mission hospitals working in partnership with CMC. The charity seeks to follow Christ's example in showing compassion towards those who are vulnerable and marginalised. The Trustees want to help CMC to ensure that everyone can receive appropriate healthcare regardless of their ability to pay.

In April 2021 Friends of Vellore UK launched an appeal to raise funds to help CMC Vellore and associated smaller Indian mission hospitals care for Covid patients. We raised £252,120 and allocated grants to CMC and eight smaller mission hospitals. There were also some other Covid fundraisers organised by individuals which raised an additional £71,193 for CMC and two affiliated mission hospitals.

The charity produced two newsletters during the year and held its Annual Supporters' Meeting online due to the pandemic. CMC's Director, Dr JV Peter, gave a presentation on the current situation at CMC and the impact of the second wave of Covid. Dr Anu Rose spoke about CMC's work in the Jawadhi Hills and the maternal health facility they hope to build to enable safe deliveries and address the high maternal and child death rates.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

REVIEW OF THE YEAR (continued)

During the year the charity supported the following projects at CMC:

- Support for costs incurred due to the Coronavirus Pandemic (£90,891)
- The Person to Person Scheme (£40,000)
- Projects at the Rural Unit for Health and Social Affairs (£15,029)
- Student scholarships and 10 health workers for the Jawadhi Hills (£13,033)
- A new mobile ophthalmology clinic (£10,000)
- Treatment costs for 10 children whose families are unable to pay (£10,000)
- The Low Cost Effective Care Unit patient support fund (£6,000)
- The Palliative Home Care Team (£1,465)
- CMC's post of Mission Desk Coordinator (£2,670)
- Various Alumni Batch Funds and projects (£13,894)
- Dr Sunil Argarwal Fund for Mission Hospitals (£4,200)
- Emergency fund for specific patients needing help to fund treatment (£2,536)
- Training scholarships for nursing and allied health (£584)
- Distance Education (£552)
- Other gifts (£522)

During the year the charity also sent the following grants to mission hospitals attached to CMC:

• Asha Kiran Hospital, Lamtaput, Odisha	£20,000 for Covid from the FOV Appeal
• Karigiri Hospital	£20,000 for Covid from the FOV Appeal
• Kotagiri Medical Fellowship Hospital	£20,000 for Covid from the FOV Appeal
• Madhepura Christian Hospital	£20,000 for Covid from the FOV Appeal
• Miraj Memorial Hospital	£20,000 for Covid from the FOV Appeal
• Reynolds Memorial Hospital Washim	£20,000 for Covid from the FOV Appeal
• Baptist Christian Hospital Tezpur, Assam	£20,000 for Covid from the FOV Appeal
• Baptist Christian Hospital Tezpur, Assam	£10,000 from the Mission Fund to build a Chatram
• Baptist Christian Hospital Tezpur, Assam	£7,750 donations from individuals
• CSI Campbell Hospital, Jammalamdugu	£32,484 for Covid from individual donations

The charity has £40,000 from the FOV appeal and £7,818 from individual donations for Covid costs at Christian Fellowship Hospital Oddanchatram. Due to difficulties opening their new mandatory foreign contributions account, this has not yet been able to be transferred.

Friends of Vellore UK received £1,000,000 from a legacy during the year, a further payment from the same legacy was received in 2022 and was accrued for within these accounts. The Baker legacy is to set up an endowment fund to pay for treatment for poor patients at CMC Vellore.

The charity thus had a very healthy income in 2021 of over £1.8M. The income excluding the legacy was still almost twice that of 2020 (£263,357). This was due to the amazing response to the Covid appeal. As a result of the appeal, the charity database of supporters has doubled in size.

It cost £33,262 to run the charity in 2021. The increase on previous years in the running costs is due to the audit fee which was required as a result of the increased income from the legacy. The investment income was sufficient to cover the running costs.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Investment Policy

To achieve a fair yield from investments in stocks and funds, with professional oversight, while maintaining sufficient liquidity to meet any unexpected requests for funding from CMC. The investment risk appetite is low-medium risk.

During 2021 the charity opened a new investment fund with M&G Charifund using the money from the Baker legacy. This is in addition to other funds held for general reserves, VRCT and missions.

Risk Analysis

The trustees have assessed the major risks to which the charity is exposed, in particular those related to governance, investment policy and financial commitments of the projects it supports, and are satisfied that systems are in place to manage our exposure to the major risks. Appropriate insurance including trustee indemnity cover is in place.

Reserves Policy

The charity aims to maintain six months reserves, being £20,000 to meet all commitments and cash flow requirements. Specific funds for agreed projects are remitted to CMC Vellore in a timely way. The trustees will seek to continue to support projects from reserves when levels permit and will draw on restricted funds when this is appropriate. Provided that the budgeted management costs are achieved, the trustees believe that existing levels of reserves are adequate, but reductions in income associated with falling interest rates and lower equity returns may reduce the trustees ability to maintain reserves at this level. The charity does not regard the unrestricted investments to be free reserves as it is the trustees intention to retain the unrestricted investments and use the income generated to fund unrestricted expenditure. The free reserves at the year end were £47,143.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Public benefit policy

Friends of Vellore UK supports education and healthcare in India in partnership with Christian Medical College Vellore, South India. It does this by raising funds to support projects that in particular benefit the poor and marginalised. The trustees, in setting their objectives have had due regard to the public benefit guidance issued by the Charity Commission.

Plans for the future

The charity has employed a fundraiser who starts in February 2022 for a fixed term of 12 months initially. This is a new venture to test the efficacy of such a role for the charity. Initially the fundraiser is focussing on raising funds for the new maternity unit in the Jawadhi Hills.

Structure, Governance and Management

The charity's activities are planned by the trustees and run by a part-time Manager. There are two meetings each year of trustees to review the activities and progress. The finance subcommittee meets twice a year in advance of each trustee meeting and is chaired by the treasurer. The Vellore Rural Communities Trust is a subcommittee of Friends of Vellore UK with its own restricted fund and meets annually. A trustee of Friends of Vellore UK represents the interest of that fund.

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Structure, Governance and Management (continued)

Friends of Vellore UK comply with the regulatory standards for fundraising. The charity is committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. Our fundraising effort involves encouraging donations and legacy gifts through the twice-yearly newsletter, email updates, social media and our website. We do not outsource any of our fundraising to third parties. Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received 0 complaints during 2021, which is the same as in 2020.

Grant making policies

The trustees receive reports from CMC Hospital on opportunities for new services, new equipment or staff training needs. The trustees give priority to projects which will benefit poorer or disadvantaged people and enhance their ability to access quality medical support at affordable levels. Given their consideration of new work in the light of such a philosophy, the trustees may offer full or partial support for the work and seek donor involvement. Significant weight is given to the advice from the hospital itself on the best way to achieving the desired outcomes.

Key Performance Indicators

Friends of Vellore UK does not operate any Key Performance Indicators as such, however reports are submitted to trustees and to donors which report performance and outputs.

Pay policy for staff

All trustees give their time freely and no trustee received remuneration for their role as a trustee during the year. The board of trustees has agreed an annual increment of 3% each year to cover the cost of living increase.

Recruitment of trustees

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Constitution. Recruitment to the Trustee Board when required will be addressed by the Chairman to seek to strengthen the capacity, professionalism and range of skills of the membership. Trustees are nominated on the basis of their willingness to serve. Training is on the job. Trustees will normally serve a four-year term, but this may be extended with subsequent four-year terms subject to the Board's agreement. Those who wish to 'retire' as Trustees may be voted onto the Council to continue in an advisory capacity. The Trustee Board will confirm membership once a year at the April Board meeting.

Trustees' responsibilities

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period.

In preparing the financial statements, the trustees are required to:

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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees' responsibilities (continued)

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Trustees who served during the year were:-

- Mr Dayalan Clarke (Chair)
- Dr Easterine Mills-Clarke (Treasurer)
- Dr Ajit Butt
- Dr Susan Das
- Professor Mike Keighley
- Dr Arabella Onslow
- The Very Revd Dr Isaac Poobalan
- Dr Thomas Pulimood
- Mr Richard Rajamanickam
- Dr Johnson Samuel
- Mr Hugh Skeil (appointed 02/10/2021)

This report was approved by the Trustees on 18/01/2022 and signed on their behalf by:


Mr Dayalan Clarke, Chairman


Dr Easterine Mills-Clarke, Treasurer

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Opinion

We have audited the financial statements of Friends of Vellore UK for the year ended 31 December 2021 which comprise Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the trustees affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITORS REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021**

Other information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' annual report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

FRIENDS OF VELLORE UK

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

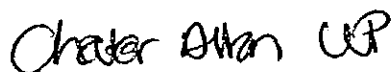
Auditor's responsibilities for the audit of the financial statements (continued)

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the charities (Accounts and reports) regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Chater Allan LLP
Chartered Accountants & Statutory Auditors
7 Quay Court
Colliers Lane
Stow-cum-Quay
CB25 9AU

Date: 18 October 2022

Chater Allan LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

FRIENDS OF VELLORE UK

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Donations and legacies	2	1,674,779	80,255	1,755,034	235,721
Investments	3	50,791	13,421	64,211	27,636
TOTAL INCOME		<u>1,725,570</u>	<u>93,676</u>	<u>1,819,245</u>	<u>263,357</u>
EXPENDITURE ON:					
Raising funds	4	2,559	5,054	7,613	8,517
Charitable activity					
Advancement of healthcare and development in India	6,7	416,440	17,031	433,471	247,010
TOTAL EXPENDITURE		<u>418,999</u>	<u>22,085</u>	<u>441,084</u>	<u>255,527</u>
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)		1,306,571	71,590	1,378,161	7,829
Net gains/(losses) on investments	11	68,004	38,821	106,825	(64,900)
NET (EXPENDITURE) / INCOME BEFORE TRANSFERS		<u>1,374,575</u>	<u>110,411</u>	<u>1,484,986</u>	<u>(57,071)</u>
Transfers between funds	14	10,157	(10,157)	-	-
NET MOVEMENT IN FUNDS		<u>1,384,732</u>	<u>100,254</u>	<u>1,484,986</u>	<u>(57,071)</u>
RECONCILIATION OF FUNDS:					
Total funds at 1 January 2021		<u>416,785</u>	<u>290,493</u>	<u>707,278</u>	<u>764,349</u>
TOTAL FUNDS AT 31 DECEMBER 2021		<u><u>1,801,517</u></u>	<u><u>390,747</u></u>	<u><u>2,192,264</u></u>	<u><u>707,278</u></u>

All activities relate to continuing operations.

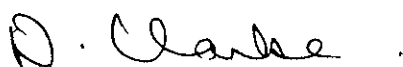
The notes on pages 12 to 23 form part of these financial statements.

FRIENDS OF VELLORE UK

BALANCE SHEET AS AT 31 DECEMBER 2021

	Note	2021	2020
		£	£
FIXED ASSETS			
Tangible assets	10	114	242
Investments	11	<u>1,795,355</u>	<u>652,026</u>
		1,795,469	652,268
CURRENT ASSETS			
Debtors	12	281,052	8,407
Cash at bank and in hand		<u>121,227</u>	<u>47,978</u>
		402,279	56,385
Liabilities			
Creditors: amounts falling due one year	13	<u>5,484</u>	<u>1,375</u>
NET CURRENT ASSETS		396,795	55,010
NET ASSETS		<u>2,192,264</u>	<u>707,278</u>
CHARITY FUNDS			
Restricted funds	14	1,801,517	416,785
Unrestricted funds	14	<u>390,747</u>	<u>290,493</u>
TOTAL FUNDS		<u>2,192,264</u>	<u>707,278</u>

The financial statements were approved by the trustees on 18/01/2022 and signed on their behalf, by:



Mr Dayalan Clarke, Chairman



Dr Easterine Mills-Clarke, Treasurer

The notes on pages 12 to 23 form part of these financial statements.

FRIENDS OF VELLORE UK

**STATEMENT OF CASH FLOWS
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
Cash used in operating activities	1	1,083,239	4,462
Cash flows from investing activities:			
Purchase of tangible assets		-	(60)
Purchase of investments		(1,010,000)	(30,000)
Sale of investments		10	-
Net cash provided by/(used in) investing activities		(1,009,990)	(30,060)
Change in cash and cash equivalents in the reporting period	2	73,249	(25,598)
Cash and cash equivalents at the beginning of the reporting period		47,978	73,576
Cash and cash equivalents at the end of the reporting period		121,227	47,978

Notes to Cash flow statement

1. Reconciliation of net income for the year to net cash flow from operating activities

Net movement in funds	1,484,986	(57,071)
Adjustments for:		
Depreciation charges	128	108
Dividends and interest from investments	(26,514)	-
Investment administration fees	-	3,093
Loss/(Gains) on investments	(106,825)	64,901
Decrease/(Increase) in debtors	(272,645)	(4,557)
(Decrease)/Increase in creditors	4,109	(2,012)
Net cash inflow (outflow) from operating activities	1,083,239	4,462

2. Analysis of cash and cash equivalents

	At 1 January 2021 £	Cash flow £	At 31 December 2021 £
Cash at bank and in hand	47,978	73,249	121,227
	<u>47,978</u>	<u>73,249</u>	<u>121,227</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006, and UK Generally Accepted Accounting Practice.

Going concern basis

The Trustees consider that the going concern basis is appropriate as they consider the reserves levels and expected investment income to be at sufficient levels to ensure that the Trustees can meet their financial obligations for the next 12 to 18 months and on that basis the Charity is a going concern. The Trustees have considered the potential impact on the charity of the current global pandemic known as COVID-19. In the opinion of the Trustees there will be no material adverse effect on the charity's ability to continue as a going concern.

1.2 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. ACCOUNTING POLICIES (continued)

1.3 Income

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

FRIENDS OF VELLORE UK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer Equipment - 33.33% straight line

1.6 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	404,779	43,832	448,611	235,721
Legacies	1,270,000	36,423	1,306,423	-
Total donations and legacies	<u>1,674,779</u>	<u>80,255</u>	<u>1,755,034</u>	<u>235,721</u>

3. INVESTMENT INCOME

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank & other interest receivable	-	5	5	33
Dividends received - listed investments	50,791	13,416	64,207	27,603
	<u>50,791</u>	<u>13,421</u>	<u>64,211</u>	<u>27,636</u>

FRIENDS OF VELLORE UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. EXPENDITURE ON RAISING FUNDS

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Newsletter	666	1,755	2,421	2,780
Postage	76	200	276	236
Publicity	660	399	1,059	446
Salaries	1,157	2,700	3,857	3,695
Investment management fees	-	-	-	1,360
	<u>2,559</u>	<u>5,054</u>	<u>7,613</u>	<u>8,517</u>

5. GRANTS PAYABLE - INSTITUTIONAL

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Person to Person	40,000	-	40,000	40,000
Vellore Rural Communities Trust	11,983	-	11,983	14,779
VRCT Bishopston Kuppam Link	3,046	-	3,046	3,541
Tucker Children's Fund	10,000	-	10,000	5,030
Training Fund	1,136	-	1,136	8,169
Low Cost Effective Care Unit	6,000	-	6,000	-
Palliative Care	1,465	-	1,465	2,937
Palliative Families	200	-	200	175
Jawadhi Hills	13,033	-	13,033	10,675
Mission Fund	16,870	-	16,870	2,926
Rehabilitation	72	-	72	10,291
Ophthalmology	10,240	-	10,240	10,000
Emergency Fund	2,536	-	2,536	4,000
FOV Scotland	-	-	-	3,000
COVID-19	263,375	-	263,375	45,589
Alumni Projects	13,894	-	13,894	38,000
Kannigapuram	-	-	-	6,689
Asha Kiran Society	-	-	-	4,985
Baptist Christian Hospital Tezpur	7,750	-	7,750	17,585
Kotagiri Medical Fellowship	100	-	100	-
Karigiri Hospital	6,122	-	6,122	-
Subtotal	<u>407,822</u>	<u>-</u>	<u>407,822</u>	<u>228,371</u>

FRIENDS OF VELLORE UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. GRANT EXPENDITURE ON CHARITABLE ACTIVITY BY FUND TYPE

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Advancement of healthcare and development in India				
Person to Person	40,000	-	40,000	40,000
Vellore Rural Communities Trust	11,983	-	11,983	14,779
VRCT Bishopston Kuppam Link	3,046	-	3,046	3,541
Tucker Children's Fund	10,000	-	10,000	5,030
Training Fund	1,136	-	1,136	8,169
Low Cost Effective care Unit	6,000	-	6,000	-
Palliative Care	1,465	-	1,465	2,937
Palliative Families	200	-	200	175
Jawadhi Hills	13,033	-	13,033	10,675
Mission Fund	16,870	-	16,870	2,926
Rehabilitation	72	-	72	10,291
Ophthalmology	10,240	-	10,240	10,000
Emergency Fund	2,536	-	2,536	4,000
FOV Scotland	-	-	-	3,000
COVID-19	263,375	-	263,375	45,589
Alumni Projects	13,894	-	13,894	38,000
Kannigapuram	-	-	-	6,689
Asha Kiran Society	-	-	-	4,985
Baptist Christian Hospital Tezpur	7,750	-	7,750	17,585
Kotagiri Medical Fellowship	100	-	100	-
	6,122	-	6,122	-
	<u>407,822</u>	<u>-</u>	<u>407,822</u>	<u>228,371</u>

7. SUPPORT COSTS

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Telephone	66	175	241	238
Room hire costs	57	151	208	-
Travel and subsistence	3	10	13	83
Bank charges	-	-	-	186
Insurance	96	253	349	330
IT software	4	12	16	-
Subscriptions	148	390	538	474
Salaries	4,147	11,283	15,430	15,031
Pensions	212	560	772	749
Recruitment	2,160	-	2,160	-
Sundry expenses	10	25	35	-
Depreciation	35	93	128	108
Professional fees	-	120	120	-
Governance:				
Independent examination	60	180	240	1,440
Accountancy	270	630	900	-
Audit	1,350	3,150	4,500	-
	<u>8,618</u>	<u>17,031</u>	<u>25,649</u>	<u>18,639</u>

FRIENDS OF VELLORE UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. ANALYSIS OF EXPENDITURE BY ACTIVITY

	Grant funding of activities 2021 £	Support costs 2021 £	Total 2021 £	Total 2020 £
Advancement of healthcare and development in India	407,822	25,649	433,471	247,010
	<u>407,822</u>	<u>25,649</u>	<u>433,471</u>	<u>247,010</u>

9. STAFF COSTS

	2021 £	2020 £
Staff costs were as follows:		
Wages and salaries	19,287	18,726
Pensions	772	749
	<u>20,059</u>	<u>19,475</u>

The average monthly number of employees was 1 (2020: 1) and the average monthly number of employees during the year expressed as full time equivalents was as follows (including casual and part-time staff):

	No.	No.
Management	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

During the year, no trustees received any remuneration (2020 - £NIL).

During the year, no trustees received any benefits in kind (2020 - £NIL).

During the year, no trustees received reimbursement of expenses (2020 - £NIL).

Key management personnel

The total employment benefits including pension contributions of key personnel were £20,059.

FRIENDS OF VELLORE UK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

10. TANGIBLE FIXED ASSETS

Computer Equipment £

Cost

At 1 January 2021	585
Additions	-
Disposals	-
At 31 December 2021	<u>585</u>

Depreciation

At 1 January 2021	343
Charge for the year	128
On disposals	-
At 31 December 2021	<u>471</u>

Net book value

At 31 December 2021	<u>114</u>
At 31 December 2020	<u>242</u>

11. FIXED ASSETS INVESTMENTS

£

Market value

At 1 January 2021	652,016
Additions	1,010,000
Net gains on revaluation	106,825
Re-invested dividends	26,514
Disposals	-
At 31 December 2021	<u>1,795,355</u>

Historical cost

641,092

Investments at market value comprise

	2021 £	2020 £
Listed Investments	-	10
M&G Charifund - Income Units	1,014,232	652,016
M&G Charifund - Accumulation Units	781,123	-
	<u>1,795,355</u>	<u>652,026</u>

All the fixed asset investments are held in the UK

12. DEBTORS

	2021 £	2020 £
Debtors and prepayments	279,999	3,695
Tax recoverable	1,053	4,712
	<u>281,052</u>	<u>8,407</u>

FRIENDS OF VELLORE UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. CREDITORS

Amounts falling due within one year

	2021 £	2020 £
Creditors and accruals	5,484	1,375

14. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Carried forward £
Unrestricted funds						
General Funds	290,493	93,676	(22,085)	(10,157)	38,821	390,747
Restricted funds						
The Baker Fund	-	1,302,152	(890)	(14,366)	14,232	1,301,128
Person to Person	10,440	15,322	(41,524)	14,366	1,396	-
Vellore Rural Communities Trust	227,527	12,481	(15,030)	(304)	31,693	256,367
VRCT Bishopston- Kuppan Link	-	2,742	(3,046)	304	-	-
Tucker Children's Fund	79,662	4,339	(11,524)	-	10,646	83,123
Training Fund	33,908	2,701	(2,660)	-	4,531	38,481
Low Cost Effective Care Unit	14,578	1,810	(6,000)	-	-	10,388
Palliative Care	-	928	(1,465)	537	-	-
Palliative Families	-	240	(200)	-	-	40
Jawadhi Hills	-	16,520	(15,701)	-	-	819
Mission Fund	40,737	7,228	(16,870)	-	5,506	36,600
Rehabilitation	-	216	(72)	-	-	144
Ophthalmology	-	620	(10,240)	9,620	-	-
Emergency Fund	-	2,636	(2,536)	-	-	100
FOV Scotland	3,903	-	-	-	-	3,903
COVID-19	-	323,313	(263,375)	-	-	59,938
Alumni Projects	4,952	19,142	(13,894)	-	-	10,200
Nursing Alumni	-	288	-	-	-	288
Kannigapuram	-	-	-	-	-	-
Baptist Christian Hospital Tezpur	1,000	6,750	(7,750)	-	-	-
Kotagiri Medical Fellowship Hospital	-	100	(100)	-	-	-
Karigiri Hospital	80	6,042	(6,122)	-	-	-
	416,785	1,725,570	(418,999)	10,157	68,004	1,801,517
Total of funds	707,278	1,819,246	(441,084)	-	106,825	2,192,264

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. STATEMENT OF FUNDS (continued)

The Baker Fund

Endowment Fund for the treatment of indigent patients at CMC; a legacy from Selwyn and Elizabeth Baker.

Person to Person

The Person to Person (PTP) scheme makes small grants to individual patients who are unable to pay for the cost of their medical care at CMC. Currently an individual can be given up to Rs.10,000 (approximately £100).

Vellore Rural Communities Trust

The Rural Unit for Health and Social Affairs helps communities build strength and resilience by supporting them in all aspects of health and social wellbeing. The Vellore Rural Communities Trust administers this fund which supports projects across the whole age spectrum from youth sports clubs to elderly welfare centres, with farming and health schemes in between.

VRCT Bishopston-Kuppam Link

Donations from supporters of the Bishopston-Kuppam Link to support the children's play centre and elderly centre at Seetharampet, which are overseen by the Rural Unit of Health and Social Affairs.

Tucker Children's Fund

This fund is to pay for a single intervention for children from poor families where there is a high likelihood of a positive outcome.

Training Fund

This fund may be used to provide individual training grants of up to £5k for CMC staff coming to the UK for continuing medical education. Smaller amounts are available to help cover costs of Mission Hospital staff receiving training at CMC. Some funds are used for training scholarships for students at CMC and affiliated institutions.

Low Cost Effective Care Unit

This fund enables projects at the Low Cost Effective Care Unit which aims to give quality but low cost support to the poorest inhabitants of Vellore. Patients pay a nominal amount for registration, and then are only charged for drugs and investigations – even those charges are according to the individual's ability to pay.

Palliative Care

This fund supports the Palliative Care work at CMC amongst those who are terminally ill. The team provides medical support, compassionate care and love at the end of these patient's lives, often travelling to patient's homes if they are unable to come to hospital.

Palliative Families

Funds to support orphans or families of those who've died after having been treated by the Palliative Care team.

Jawadhi Hills

Money given to support CMC's work in the tribal region of Jawadhi Hills.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Mission Fund

This fund is to support projects in smaller mission hospitals affiliated to CMC Vellore.

Rehabilitation

The Rehabilitation Institute (Rehab) treats those suffering limb loss and paralysis as a result of accidents and disease. Rehab also helps both the patient and their family secure a sustainable lifestyle.

Ophthalmology

Funds for ophthalmology projects at CMC's Schell Eye Hospital.

Emergency Fund

Funds for patients unable to afford treatment at CMC who do not fall within the PTP criteria.

FOV Scotland

Funds raised by the FOV Scotland group to allocate to projects at CMC of their choosing.

COVID-19

Funds given to cover the costs incurred by CMC in treating patients with COVID-19, and also for CMC's provision of basic supplies for local communities affected by the pandemic.

Alumni Projects

CMC Alumni from a specific year group (batch) join together to raise funds for a specific project at the hospital. This also includes specific projects UK Alumni donate funds for following requests from CMC.

Nursing Alumni

CMC Nursing Alumni donations for projects they collectively allocate at CMC.

Kannigapuram

Money given to support the CMC hospital campus at Kannigapuram.

Baptist Christian Hospital Tezpur

Funds to support Baptist Christian Hospital Tezpur, a mission hospital in CMC's network.

Kotagiri Medical Fellowship Hospital

Funds to support Kotagiri Medical Fellowship Hospital, a mission hospital working in partnership with CMC.

Karigiri Hospital

Funds to support projects at the Schieffelin Institute of Health – Research & Leprosy Centre Karigiri which is

FRIENDS OF VELLORE UK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Tangible fixed assets	-	114	114	242
Fixed asset investments	1,451,865	343,490	1,795,355	652,026
Current assets	349,652	52,627	402,279	56,385
Creditors due within one year	-	(5,484)	(5,484)	(1,375)
	<u>1,801,517</u>	<u>390,747</u>	<u>2,192,264</u>	<u>707,278</u>

16. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
INCOME FROM:			
Donations and legacies	198,578	37,143	235,721
Investments	16,133	11,504	27,636
TOTAL INCOME	<u>214,711</u>	<u>48,647</u>	<u>263,357</u>
EXPENDITURE ON:			
Raising funds	2,526	5,991	8,517
Charitable activity			
Advancement of healthcare and development in India	233,154	13,856	247,010
TOTAL EXPENDITURE	<u>235,680</u>	<u>19,847</u>	<u>255,527</u>
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS/(LOSSES)	(20,970)	28,800	7,830
Net gains/(losses) on investments	(30,640)	(34,261)	(64,900)
NET EXPENDITURE BEFORE TRANSFERS	<u>(51,610)</u>	<u>(5,461)</u>	<u>(57,071)</u>
Transfers between funds	18,627	(18,627)	-
NET MOVEMENT IN FUNDS	<u>(32,983)</u>	<u>(24,088)</u>	<u>(57,071)</u>

