



# **INTERNATIONAL NEPAL FELLOWSHIP**

## **Annual Report and Audited Accounts**

### **Year ending 30 June 2023**

**International Nepal Fellowship is a registered charity (no. 1047178)**

We are a company limited by guarantee (no. 3060972), registered office at  
196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX

[www.inf.org.uk](http://www.inf.org.uk)

T: 0121 472 2425

E: [enquiries@inf.org.uk](mailto:enquiries@inf.org.uk)

## Contents

3	Chief Executive's Summary
4	About INF/UK
5	Partners in Nepal
5	Healthcare
8	Resilient Communities
9	Education
9	Emergency Relief
10	Financial activities of the charity
13	Structure, governance, and management
15	Statement of responsibilities of the trustees
17	Reference and administrative details
18	Independent auditors' report
22	Statement of financial activities
23	Balance sheet
24	Statement of cash flows
25	Notes to the financial statements

## Chief Executive's Summary

Last year, in my Chief Executive's summary I wrote:

*"As Nepal rebuilds from the damage caused by the global pandemic, we look forward to playing our part in helping the country progress in many areas – especially healthcare, developing livelihoods in remote communities, adapting to climate change, improving education, and responding to natural disasters".*

As promised, we have played our part.

It's a joy to be able to report to you a year of significant impact in the lives of almost 18,000 Nepalis, the majority of whom live on the margins of society or have lives blighted by poverty and discrimination.

Our work, and the work of our partners, is only possible because of the generosity of our amazing supporters – a collection of individuals, churches, trusts and foundations from across the UK and beyond, who share our passion to see more Nepalis break free from poverty and suffering.

In this report you will read of lives impacted by work in the following thematic areas:

- **Healthcare:** through strengthening & improving access to institutional and community-based healthcare services (includes overcoming social & economic barriers to improve health outcomes).
- **Disability:** through prevention, treatment, and rehabilitation (includes leprosy).
- **Remote communities:** through increased resilience, and by improving healthcare, social inclusion, and economic outcomes (this includes livelihoods, climate adaptation and disaster risk reduction).
- **Education:** through developing more inclusive and better quality education for children in remote communities.
- **Emergency relief:** by responding to natural disasters such as floods, landslides and earthquakes, especially when events like these affect people living in disadvantaged communities.

Looking forward, I see a year of continued challenges to find funding for our partners' amazing projects, but we continue to be ambitious for the sake of the people we serve and thank you for joining us on this journey.

Respectfully yours,



**John Reynolds**  
Chief Executive Officer, INF/UK

The trustees present their report along with the audited financial statements of the charity for the year ended 30 June 2023.

Reference and administrative information set out on page 17 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (effective from January 2019).

## **About INF UK**

The International Nepal Fellowship (INF) is Nepal’s longest serving international NGO with nearly seven decades of experience working with Nepal’s poorest and most disadvantaged people and communities.

Today, INF in the UK is a forward-thinking and impactful organisation, fulfilling its charitable objectives and demonstrating public benefit by supporting programmes and projects delivered by our Nepali partners addressing key needs in healthcare, disability, community resilience, education, and emergency relief.

### **OUR VISION**

Life in all its fullness for Nepal’s poor and disadvantaged people and communities.

### **OUR MISSION**

Supporting local Nepali communities and healthcare services, to improve health, reduce poverty, and promote social inclusion.

### **OUR VALUES**

- Love and compassion
- Inclusion and dignity
- Professional excellence

### **OUR ETHOS**

We are motivated by our Christian faith, showing active compassion for some of the world’s poorest, and encouraging individuals and communities to access and enjoy their rights is a holistic expression of our values.

We believe all people are equal, and so inclusion and dignity are very important to us, irrespective of gender, sexual orientation, religious belief, disability, economic status, caste, or any other feature.

### **DEMONSTRATING PUBLIC BENEFIT**

When deciding its priorities, trustees consider how these will further the charity’s purposes for the public benefit. Trustees take account of The Charity Commission’s general guidance on public benefit, its supplemental advice on the advancement of religion for public benefit, and its supplemental advice on prevention and relief of poverty for the public benefit.

INF/UK's CEO and Programmes Manager visited several partners and projects during the year and also met with board members and the senior leadership team of INF Nepal, its primary partner. Numerous video-conferencing meetings were also held between INF/UK senior staff and our Nepali partners to supplement project reporting and other regular communications.

## Partners in Nepal

We work through a small number of like-minded partners who share our vision and values. During the past year, these local NGOs in Nepal were:

**INF Nepal (INF/N):** As a member of the international INF family, our primary delivery partner is INF Nepal, a locally registered NGO based in Pokhara. Through our relationship with INF Nepal, we have supported hospitals in Pokhara, Surkhet and Banke; major community development projects in Bajura and Kalikot districts; and played a key role in supporting many of INF Nepal's disaster response activities.

**Asal Chhimekee Nepal (ACN):** The social action arm of the Pokhara Christian Community, a grouping of 50-plus churches based in the Pokhara area, whose name translates as 'Good Neighbour Nepal'. ACN has valuable expertise in helping communities respond to natural disasters. They work in conjunction and support of municipal authorities rather than independently, and will often mobilise their networks of local church communities across Nepal to support relief activities.

**Group of Helping Hands (SAHAS) Nepal:** A Kathmandu-based NGO with experience of helping rural communities develop in the poorest parts of Nepal, our partnership with SAHAS Nepal began with an education project in Bajura.

**Sarwangin Sewa Samaj (SSS):** A volunteer-led organisation in Nepalgunj, supporting very poor patients and their carers at the Bheri Zonal Hospital with essential needs that would otherwise not be met.

**United Mission to Nepal (UMN):** We are developing a partnership with UMN, another long-standing and highly-respected Christian development organisation, which has been serving in Nepal since the 1950s. Our first education project together started in July 2023, so will be covered in the 2023/24 Annual Report.

## Our impact in 2022/23

INF/UK's impact in Nepal across all our partners' programmes and projects during 2022/23 reached 17,984 direct beneficiaries, plus a further 39,136 indirect beneficiaries.

## Healthcare

Our partners' healthcare services directly impacted 11,003 people in 2022/23. This includes 3,899 who received hospital-based services at INF Nepal's three hospitals and 7,104 people who were direct

beneficiaries of community-based health projects. More than 28,000 people were indirect beneficiaries, including the families of patients.

## **Green Pastures Hospital, Pokhara**

GPH's mission is to transform lives by offering holistic rehabilitation services, fostering independence, and promoting overall well-being. Its vision is to be a centre of excellence in rehabilitation, recognised for a patient-centric approach, advanced medical practices, and impactful community outreach.

During 2022/23 GPH provided compassionate care and rehabilitation for thousands of patients. Here is a breakdown of the hospital-based services funded by INF/UK supporters.

### **Medical Charity Fund**

Healthcare is not free in Nepal, so this fund exists to provide medical treatment to patients who are unable to afford the care they need.

During these 12 months, 985 people benefitted from the GPH Medical Charity Fund. Patients received support for spinal cord injuries, orthotics, cerebral palsy, leprosy and dermatology. They received services such as surgeries, assistive devices, and physio and occupational therapy sessions.

### **Leprosy and Rehabilitation**

A total of 2,444 leprosy patients were treated at GPH, which includes 253 people admitted for inpatient services and 29 who had reconstructive surgery. Specialist medical care was provided in physiotherapy, occupational therapy, and speech therapy.

### **Eileen and Betty Centre**

The construction of a brand-new 30-bed leprosy inpatient ward at GPH was generously supported by INF/UK supporters. The building is named after Eileen Lodge and Betty Bailey, who were the founders of Green Pastures in the 1950s and who worked tirelessly for people suffering from leprosy.

The centre opened in March 2023, and went on to welcome 80 inpatients before the end of 2022/23.

### **Children with Developmental Disorders**

This service has expanded from focusing on cerebral palsy to become a Developmental Paediatrics Clinic, providing for children with various developmental disorders such as Down's syndrome, muscular dystrophy, developmental delays, congenital deformities, and many more.

In the project year, between October 2022 and September 2023, 56 children with developmental disorders benefitted from compassionate care and treatment at GPH.

### **Ear Centre**

Thanks to support from INF/UK, GPH has purchased a vHIT device, which is regularly used by audiologists in the Ear Centre to test the inner ear for conditions that cause vertigo and dizziness. The device consists of special goggles with in-built cameras to record eye movements, which is helpful for diagnosis and in guiding treatment.

## **Wheels for Nepal**

A one-week wheelchair distribution camp was held at GPH from 5<sup>th</sup> to 9<sup>th</sup> June 2023. 155 wheelchairs were distributed to people with disabilities, who travelled from many districts around Nepal (travel costs were covered by GPH) to receive customised and fitted wheelchairs to help with their mobility.

The beneficiaries were identified through the waiting lists of INF hospitals (GPH and the Shining Hospitals in Surkhet and Banke), community mobilisers, and through referrals from other organisations that work with people with disabilities.

## **Surkhet**

### **Shining Hospital, Surkhet: Medical Charity Fund**

In the 12 months after October 2022, a total of 54 patients were supported by the Medical Charity Fund at INF Nepal's Shining Hospital in Surkhet. This fund ensures that nobody is deprived medical treatment due to finances, paying for patients' treatment, medication, transport, food and accommodation.

### **Fistula Centre, Surkhet**

INF/UK continues to support the work of Dr Shirley Heywood, a gynaecological surgeon from the UK who leads the team at the Fistula Centre which opened in 2019.

## **Banke**

### **Sarwangin Sewa Samaj (SSS), Banke**

SSS is a volunteer-led organisation which supports patients and their carers at the Bheri Zonal Hospital in Nepalgunj, Banke district. INF/UK contributes toward the funding of this important service.

## **Community Health**

### **Community Medical Outreach**

This three-year project started in 2021 to improve the access of vulnerable people (people affected with leprosy, people with disabilities, and people living in disaster-prone areas) to appropriate and affordable medical services, particularly in remote and isolated areas of western Nepal.

During the past year, 7 leprosy-related skin and disability medical camps provided screening, medical treatment and counselling for 3,398 people, with 180 patients referred to GPH for further treatment. 78 people with disabilities and deformities caused by leprosy received free-of-charge reconstructive surgery and subsequent follow-up care.

### **Access and Inclusion, Surkhet**

A new four-year project started in July 2022 for people with disabilities in Surkhet district. It is improving health outcomes, supporting access to social protection measures, as well as offering skills development

and work opportunities – therefore bringing economic benefits to families and communities – through rehabilitation, livelihood training, and building the capacity of Disabled Persons’ Organisations (DPOs).

During the first six months, this project supported 499 people (371 of whom were female), with a further 2,096 indirect beneficiaries.

### **Leprosy Free Communities, Banke**

This is the middle of a three-year project to improve the health and quality of life for people with leprosy in Banke district. During 2022/23 there were 944 direct beneficiaries, including 430 people who attended two leprosy outreach camps, and 2,195 indirect beneficiaries.

## **Resilient Communities**

Our projects to increase the resilience of people’s livelihoods in disadvantaged communities, including adapting to the impacts of climate change, impacted 2,065 people during 2022/23. A further 4,594 people were indirect beneficiaries.

### **Youth-focused Integrated Vocational Skills Training and Empowerment**

This one-year project that started in August 2022 was designed to support young people from communities in Kaski, Nawalparasi and Parbat districts, which have been affected by natural disasters or the impacts of the Covid-19 pandemic, to become economically active and improve family income.

Prioritising those in greatest need, this project provided support and resources to 155 individuals and indirectly benefited 741 family members. Trainees received vocational and entrepreneurship training, as well as receiving mentorship throughout the project duration.

71% of trainees were economically active by the end of the project, and 50% of trainees reported more than a 30% increase in household income.

### **Inclusive Development, Empowerment and Livelihood (IDEAL) project, Bajura**

A challenging year in Bajura included heavy rain in October 2022 which blocked roads and damaged 458 houses, as well as a 6.4-magnitude earthquake in March 2023.

Despite this, during 2022/23 the project’s 90 self-help groups developed and implemented 435 action plans. 184 local people have been equipped to facilitate group meetings. Also, 653 group members took out loans from a fund set up by the groups to help increase income and improve their livelihoods.

The 4,653 beneficiaries during this year includes 1,436 group members and 200 schoolgirls who learned to make sanitary pads using locally available cloth materials. There were a further 12,680 indirect beneficiaries.

### **Climate Change Adaptation for Sustainable Livelihoods, Bajura**

As we passed the mid-point of this three-year project, further progress was made towards the goal to improve the adaptive capacity of the rural poor in Bajura district who are engaged in agriculture-based livelihoods, to cope with climate variability and change.



There were 915 beneficiaries this year, including 273 farmers who received agriculture training. There were also 220 new agriculture, livestock or poultry businesses set up during the 12 months.

### **Asha: Adolescents Led Resilient Livelihoods for Terai Dalit Farmers, Siraha**

This project in Siraha district began in October 2022 to empower and develop the skills of adolescents from the most marginalised Terai Dalit farming families – to improve inclusive, sustainable, and resilient livelihoods through education, life skills training, health improvement initiatives in the community, and climate-resilient leasehold farming.

The first 12 months of the project impacted 792 people, plus 955 indirect beneficiaries. 191 adolescent girls received life skills training through SAMVAD groups – named using the Hindi word for dialogue, because these groups give the girls a new-found voice to raise important issues which impact their lives such as early marriage and access to education.

## **Education**

This is a relatively new thematic area for INF/UK, which we plan to grow over the coming years. The impact on 1,581 direct beneficiaries in 2022/23 was all delivered by the project in Bajura district, which is described below, with a further 6,324 indirect beneficiaries.

### **Inclusive and Quality Education for Girls, Bajura**

The objective of this project is to establish and strengthen provisions to provide quality and inclusive education in public schools, resulting in an improved learning outcome for all. This 3-year project is being delivered in three Rural Municipalities of Bajura district by SAHAS Nepal.

The second year of this project (May 2022 to May 2023) impacted 1,581 schoolchildren across 6 schools, with School Improvement Plans developed along with lesson plans incorporating training about child-friendly teaching methods.

A new four-year **School Education Enhancement Project** being delivered in partnership with UMN began in July 2023, which aims to improve the access and quality of education in East Rukum district.

## **Emergency Relief**

Nepal is prone to frequent natural disasters, including floods and landslides often prompted by the annual monsoon rains, as well as earthquakes due to the location of many districts in the foothills of the Himalayas.

In total, our partners helped 3,335 people during 2022/23.

In September, INF Nepal responded to help 42 households affected by a landslide in **Darchula district**, including food and hygiene kits, temporary shelter, and mosquito nets.

Monsoon rains also brought issues in **Belaka and Bara districts** when the Koshi river burst its banks. We supported both ACN and SAHAS Nepal in their response, helping 675 households with their immediate needs and supporting their recovery during the following months.

In early 2023 a series of earthquakes and aftershocks in **Bajura district** damaged houses and schools. We helped SAHAS Nepal, which has an active education project in the district (as described above), when a school for 180 children was damaged. They quickly constructed a temporary learning centre, to minimise any disruption to the children's education.

## Capital projects

### Community Service Centre, Pokhara

During 2022/23 we supported ACN with their developing plans for a Community Service Centre, working in tandem with the Pokhara Christian Community. Funding proposals were developed and INF/UK helped fund work on the design, drawings, cost estimation and bid documents.

The plan is that, once necessary planning permissions and funding pledges have been confirmed, construction will begin in 2024 and the building will open in 2026.

## Safeguarding

INF UK believes that all people have a right to feel safe and valued, and to live their lives free from coercion, modern slavery, sexual violence, harassment, and abuse. We seek to proactively encourage a culture where issues and concerns about safeguarding are raised and discussed, and where we provide a safe environment for all people that the organisation engages with.

The INF UK Board of Trustees is responsible for holding INF UK accountable for compliance with UK safeguarding law and best practice and ensuring that our partners are also following safeguarding policy and practice. The Board understands its legal duty to be accountable and responsible for Safeguarding for all persons who represent, support or benefit from the operations of INF UK. The Board appoints one of its members as a "Safeguarding Lead Trustee", for a term of three years. The current Safeguarding Lead Trustee is Rosie Hart.

Safeguarding is a fixed agenda item for all Board meetings and any concerns or issues are discussed by the CEO and the Safeguarding Lead Trustee as and when they arise and actioned as appropriate. During the 2022-23 year there were no safeguarding concerns raised.

## Financial Activities of the Charity

### Summary

During 2022-23, total incoming resources were £798,167 (2022: £758,738). Most of its funds are sourced from private individuals, trusts and churches.

Total expenditure was £939,600 (2022: £876,401).

While expenditure during the year was higher than income, this is not concerning as it was primarily due to a catch-up of expenditure for projects whose work was disrupted or delayed by COVID. This situation was envisaged and explained in the Directors' report for the year ending 30 June 2022.

## **Funds**

### *(a) General Fund*

Total income on the General Fund was £399,647 (2022: £359,537). This was mainly made up of general donations, legacy income, and investment income.

### *(b) Gifts for Partners' Programmes and Projects*

This is income for the work amongst Nepalis. Income was £372,638 (2022: £374,240).

Partner income, while similar to the previous year, was significantly lower than budgeted due to a continued reduction in project proposals shared by our main partner during the first half of the year. This reduced the potential for fundraising. This position was reversed during the second half of the year with a significant increase in concept notes and proposals from partners. Currently the charity is working on new concept notes/proposals with combined project values in excess £1.3 million.

### *(c) Volunteer Workers Support fund (VWSF)*

Historically, Mission Workers were recruited by INF/UK to serve in Nepal to build local capacity (e.g. doctors, managers, teachers, and such like). A strategic decision was taken five years ago to withdraw from seconding professionals to build local capacity, and no new secondments have been made since then. The charity continues to support one surgeon still working in Nepal, and will continue to do so for the foreseeable future.

The VWSF is the restricted fund that is used to support mission worker salaries and costs. Funds are raised from church groups, trusts, and personal supporters, many of whom represent friendship contacts from the volunteers' church groupings. The VWSF is a pooled resource and guaranteed an even level of allowance while a volunteer is in the service of INF.

During the current financial year, VWSF income was £25,882 (2022: £24,961). This is entirely consistent with expectations following the charity's strategic decision in 2018. The VWSF balance as at the year-end was £69,036.

## **Reserves**

### *(a) Unrestricted reserves*

- i. The policy of the board of trustees is to hold General Operating Reserves of 6-12 months of the budgeted annual costs of INF/UK in a designated Operating Reserve, to cover unforeseen events. The sum of £240,000 is held in this reserve and represents approximately 8 months budgeted annual costs for 2023-24.
- ii. The board adopted a strategic growth plan in 2019. The pandemic, and subsequent events such as the war in Ukraine and cost of living crisis, have impacted on the outcomes anticipated when this plan was set. The board have revised some figures downwards to reflect the

economic challenges facing Charities in the UK. Notwithstanding this, the board have reaffirmed its desire to focus on growth, rather than retrench.

The trustees have designated some of the charity's General Reserves towards its growth plans. This designated fund will cover anticipated shortfalls on its General Fund over the coming 2-3 years. The Investment in Growth Fund currently stands at £111,833.

iii. The trustees also designated some of its General Reserves in support of its Programmes Fund. This underpins its commitment to additional projects in Nepal as part of its growth strategy. These additional funds will enable the charity to commit to partner projects ahead of raising funds for them.

The total of unrestricted funds held as at 30 June 2023 is as follows:

Unallocated General Funds	£ 52,408
Designated: Future Growth	£111,833
Designated: Programmes	£265,979
Designated: Operating Reserve	£240,000
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>£670,220</b>

(b) Restricted reserves

These are funds held on behalf of a project, or for a restricted purpose.

The charity raises funds to support its partners' programmes and projects, primarily from individuals, trusts and foundations. These funds are managed and paid to partners under Memorandums of Understanding (MoUs) signed between the charity and its partners. An MoU will reference the plans and budgets upon which an agreement has been made, and it will also contain a reporting and payment schedule. Payments are normally paid against a report from a partner detailing the work completed against its plans and money spent against the previously submitted budget. MoUs normally cover a period of 12-36 months but a guarantee of support is only given a year at a time. Funds received by the charity for a partner's project, but not yet guaranteed for payment, are held as restricted funds in the charity's accounts until firm commitments are made.

The total value of restricted funds held as 30 June 2023 was £452,616 (£717,693).

**Investment policy**

The trustees have the power to invest in such assets as they see fit. Safety of the Charity's assets is an important factor for the board and consequently most of its reserves are currently held in cash at well-established banks.

**Events after the reporting period**

None.

## **Charity details**

The International Nepal Fellowship (also known as INF/UK) is a registered charity (number 1047178) and a company limited by guarantee (number 03060972).

The company's registered address is 196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX.

# **Structure, governance, and management**

## **Governing document**

INF/UK is a company limited by guarantee and it is also a Charity registered with the Charity Commission of England and Wales. It is governed by its Articles of Association that were updated in March 2020. There are currently eight members of the company, each of whom agrees to contribute £1 in the event of the charity winding up.

## **Appointment of trustees**

New trustees are recruited through a mix of advertising (through INF publications) and direct approach by the trustees.

The charity's policy is that trustees serve for a maximum period of ten years before standing down for a minimum of one year. This, together with a natural turnover of trustees, ensures new trustees are appointed on a regular basis.

The Chair manages the overall trustee composition proactively to ensure a balance of skills and experience is maintained, and to ensure the board does not become stale. The make-up of the board is considered when appointing new trustees.

## **Trustee induction and training**

New trustees undergo an induction programme led by the Chair of trustees. The programme includes a history of INF/UK and its work, a copy of its accounts, its Articles of Association, and key internal documents including INF/UK's strategic plan. It also draws heavily on the NCVO publication 'The Good Trustee Guide'. Once appointed, trustees continue to receive training during trustee meetings and their contribution is reviewed by the Chair of trustees.

## **Organisation**

The board of trustees administers the charity and is responsible for the overall direction of the organisation and the policies that govern the way the organisation functions. The trustees meet a minimum three times a year, one of which is a two-day meeting, with additional meetings as needed.

Responsibility for the day-to-day leadership and management of the charity is delegated to the Chief Executive Officer (CEO) who is appointed by the trustees, and is responsible for achieving the charity's strategic goals. To facilitate effective operations, the CEO has delegated authority, within terms of delegation approved by the trustees, for all operational matters including finance and employment. The CEO is line-managed by the Chair on behalf of the trustees.

## **Related parties and co-operation with other organisations**

None of the trustees receive remuneration or other benefits from their work with the charity. Any connection between a trustee or senior manager of the charity with any supplier or beneficiary must be disclosed to the full board of trustees, similarly for any other contractual relationship with a related party. In the current year no such related party transactions were reported.

While INF/UK's principal partners are INF/N and ACN, there are no voting or appointment rights in respect of either of these, neither is there any other form of control over them, or by them of INF/UK.

## **Pay policy for senior staff**

All trustees give of their time freely and no trustee received a remuneration in the year. Details of trustee expenses and any related party transactions are disclosed in note 7 to the accounts.

The pay of senior staff is reviewed annually and benchmarked against pay levels in charities of a similar size and complexity.

## **Risk management**

The trustees have a risk management strategy:

- i. A regular review is undertaken by the trustees of principal risks and uncertainties that the charity faces. Critical risks are identified and included in the board's performance dashboard, which is circulated prior to each board meeting.

The CEO regularly scans the charity's environment and attends regular development sector meetings under the auspices of BOND, a UK network for organisations working in international development, where sector wide information is shared.

The charity is acutely aware of the cumulative impact that disruptive events over the past few years on its environment and work. Initially it was the impact of COVID, which was superseded by the war in Ukraine, the cost-of-living crisis, and more recently the war between Israel and Hamas. The charity is well structured financially to meet these continuing challenges.

The charity is also aware of the risks faced by its partners in Nepal and the CEO maintains close contact with the leadership teams of its partners to keep abreast of the risks they are facing.

- ii. The charity has established policies, systems, and procedures to mitigate risks identified in its reviews.
- iii. Earthquake is a major risk to our partners and their staff in Nepal. A contingency plan is in place, which was stress-tested during the major earthquake in 2015 and found to be robust and appropriate.

## **Small company provisions**

The trustees' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption provided by section 408 and section 414B (b) of the Companies Act 2006.

## **Voluntary help and gifts in kind**

The trustees are very grateful to a number of volunteers who have helped in various aspects of our work during the past year.

## **Statement of responsibilities of the trustees**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with 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).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

**Auditors**

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on date 29 January 2024 and signed on their behalf by:

*Michael Thomas*

Michael Thomas – Chair



## International Nepal Fellowship

### Reference and administrative details

For the year ended 30 June 2023

---

<b>Company number</b>	03060972
<b>Charity number</b>	1047178
<b>Registered office and operational address</b>	196 -198 Edward Road Birmingham B12 9LX
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:  Michael Thomas (Chair) Vijaya Adhikari Deborah Angdembe (appointed 10 June 2023) Stephen Collins Rosemary Hart Professor Andrew Lymer (Treasurer) David McConkey Dr Ian Smith
<b>Chief executive officer</b>	John Reynolds
<b>Bankers</b>	Bank of Scotland 33 Old Broad Street London EC2N 1HW
<b>Solicitors</b>	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

---

#### **Opinion**

We have audited the financial statements of International Nepal Fellowship (the 'charity') for the year ended 30 June 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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 charity's affairs as at 30 June 2023 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **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 charity'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 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 members of**

#### **International Nepal Fellowship**

---

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.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the 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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they 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 charity'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.

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

---

#### **Our responsibilities for the audit of the financial statements**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

## **Independent auditors' report**

**To the members of**

### **International Nepal Fellowship**

---

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members 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's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Alison Godfrey*

Date: 30 January 2024

**Alison Godfrey FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:  
**GODFREY WILSON LIMITED**  
Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

## International Nepal Fellowship

### Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 June 2023

	Note	Restricted £	Unrestricted £	2023 Total £	2022 Total £
<b>Income from:</b>					
Donations and legacies	3	398,520	387,536	<b>786,056</b>	758,278
Investments	4	-	12,111	<b>12,111</b>	460
<b>Total income</b>		<u>398,520</u>	<u>399,647</u>	<u><b>798,167</b></u>	<u>758,738</u>
<b>Expenditure on:</b>					
Raising funds		-	111,175	<b>111,175</b>	149,796
Charitable activities		<u>663,597</u>	<u>164,828</u>	<u><b>828,425</b></u>	<u>726,605</u>
<b>Total expenditure</b>	6	<u>663,597</u>	<u>276,003</u>	<u><b>939,600</b></u>	<u>876,401</u>
Net gains / (losses) on investments		-	2,763	<b>2,763</b>	(3,036)
<b>Net income / (expenditure) and net movement in funds</b>	7	(265,077)	126,407	<b>(138,670)</b>	(120,699)
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>717,693</u>	<u>543,813</u>	<u><b>1,261,506</b></u>	<u>1,382,205</u>
<b>Total funds carried forward</b>		<u><u>452,616</u></u>	<u><u>670,220</u></u>	<u><u><b>1,122,836</b></u></u>	<u><u>1,261,506</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the accounts.

## International Nepal Fellowship

### Balance sheet

As at 30 June 2023

	Note	£	2023 £	2022 £
<b>Fixed assets</b>				
Tangible assets	11		<b>1,453</b>	2,271
Investments	12		<b>47,415</b>	44,652
			<b>48,868</b>	46,923
<b>Current assets</b>				
Debtors	13	<b>42,446</b>		22,094
Current asset investments		<b>1,025,797</b>		1,013,687
Cash at bank and in hand		<b>153,065</b>		396,479
		<b>1,221,308</b>		1,432,260
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	14	<b>(130,395)</b>		(184,594)
<b>Net current assets</b>			<b>1,090,913</b>	1,247,666
<b>Total assets less current liabilities</b>			<b>1,139,781</b>	1,294,589
Creditors: amounts falling due after 1 year	15		<b>(16,945)</b>	(33,083)
<b>Net assets</b>	17		<b>1,122,836</b>	1,261,506
<b>Funds</b>	18			
Restricted funds			<b>452,616</b>	717,693
Unrestricted funds				
Designated funds			<b>617,812</b>	530,979
General funds			<b>52,408</b>	12,834
<b>Total charity funds</b>			<b>1,122,836</b>	1,261,506

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 29 January 2024 and signed on their behalf by

*Michael Thomas*

Michael Thomas - Chair

## International Nepal Fellowship

### Statement of cash flows

For the year ended 30 June 2023

	2023 £	2022 £
<b>Cash used in operating activities:</b>		
Net movement in funds	(138,670)	(120,699)
<i>Adjustments for:</i>		
Depreciation charges	819	1,231
Loss on disposal of equipment	-	935
(Gains) / losses on investments	(2,763)	3,036
Investment income	(12,111)	(460)
(Increase) / decrease in debtors	(20,352)	12,534
(Decrease) / increase in creditors	(70,338)	61,214
<b>Net cash used in operating activities</b>	<b><u>(243,415)</u></b>	<b><u>(42,209)</u></b>
<b>Cash flows from investing activities:</b>		
Investment income	12,111	460
Purchase of tangible fixed assets	-	(2,478)
<b>Net cash provided by / (used in) investing activities</b>	<b><u>12,111</u></b>	<b><u>(2,018)</u></b>
<b>Decrease in cash and cash equivalents in the year</b>	<b>(231,304)</b>	<b>(44,227)</b>
Cash and cash equivalents at the beginning of the year	<b><u>1,410,166</u></b>	<b><u>1,454,393</u></b>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>1,178,862</u></b>	<b><u>1,410,166</u></b>
<b>Total cash and cash equivalents comprise:</b>		
Current asset investments	<b><u>1,025,797</u></b>	<b><u>1,013,687</u></b>
Cash at bank and in hand	<b><u>153,065</u></b>	<b><u>396,479</u></b>
<b>Cash and cash equivalents at the end of the year</b>	<b><u>1,178,862</u></b>	<b><u>1,410,166</u></b>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.



## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2023

---

#### 1. Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

International Nepal Fellowship meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

##### b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

##### c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

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.

##### d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

##### e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2023

---

#### 1. Accounting policies (continued)

##### f) Expenditure and irrecoverable VAT

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### g) Grants payable

Grants payable are recognised as expenditure when the commitment is entered into. Where such a grant is to be paid over instalments, the outstanding balance is recognised as a liability to the extent that a legal or constructive obligation exists.

##### h) Allocation of support and governance costs

Support costs are the costs incurred by UK-based staff, directly providing support for the staff and programmes based in Nepal. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff costs, as follows:

	2023	2022
Raising funds	12%	17%
Charitable activities	88%	83%

##### i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	3 years straight line
--------------------	-----------------------

Items of equipment are capitalised where the purchase price exceeds £1,000.

##### j) Investments

Investments are valued at market value in accordance with the SORP. Changes in value during the period are reported as gains/losses in investment assets in the SOFA.

##### k) Debtors

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

##### l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash held in longer term deposit accounts is classified as current asset investments on the balance sheet.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2023

---

#### 1. Accounting policies (continued)

##### m) Creditors

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

##### n) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### o) Pension costs

The company operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. There are no further liabilities other than that already recognised in the SOFA.

##### p) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end. Exchange differences are recognised in the SOFA.

##### q) Operating leases

Payments made under operating leases are charged on a straight line basis over the term of the lease.

##### r) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

##### Depreciation

As described in note 1i to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2023

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2022 Total £
<b>Income from:</b>			
Donations and legacies	399,201	359,077	<b>758,278</b>
Investments	-	460	<b>460</b>
<b>Total income</b>	<b>399,201</b>	<b>359,537</b>	<b>758,738</b>
<b>Expenditure on:</b>			
Raising funds	-	149,796	<b>149,796</b>
Charitable activities	568,650	157,955	<b>726,605</b>
<b>Total expenditure</b>	<b>568,650</b>	<b>307,751</b>	<b>876,401</b>
Net losses on investments	-	(3,036)	<b>(3,036)</b>
<b>Net income / (expenditure) and net movement in funds</b>	<b>(169,449)</b>	<b>48,750</b>	<b>(120,699)</b>

3. Income from donations and legacies

	Restricted £	Unrestricted £	2023 Total £
Donations for partners' programmes and projects	350,294	-	<b>350,294</b>
Volunteer worker support fund	25,882	-	<b>25,882</b>
General donations	-	231,243	<b>231,243</b>
Legacy income	22,344	156,293	<b>178,637</b>
<b>Total income from donations and legacies</b>	<b>398,520</b>	<b>387,536</b>	<b>786,056</b>
<b>Prior period comparative:</b>			
	Restricted £	Unrestricted £	2022 Total £
Donations for partners' programmes and projects	329,296	34,000	363,296
Volunteer worker support fund	24,961	-	24,961
General donations	-	275,879	275,879
Legacy income	44,944	49,198	94,142
<b>Total income from donations and legacies</b>	<b>399,201</b>	<b>359,077</b>	<b>758,278</b>

**International Nepal Fellowship**

**Notes to the financial statements**

**For the year ended 30 June 2023**

---

**4. Investment income**

	<b>2023</b>	2022
	£	£
Bank interest	<u><b>12,111</b></u>	<u>460</u>

All investment income in the current and prior period was unrestricted.

**5. Government grants**

The charitable company did not receive any government grants in the current or prior period.

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2023

#### 6. Total expenditure

	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2023 Total £
Grants payable (note 8)	-	549,639	-	-	<b>549,639</b>
Volunteer workers support costs	-	14,602	-	-	<b>14,602</b>
Website, CRM and outsourced services	12,158	-	-	-	<b>12,158</b>
Fundraising expenses	31,450	-	-	-	<b>31,450</b>
Personnel costs (note 9)	37,254	38,300	216,885	-	<b>292,439</b>
Premises and office costs	-	-	15,045	-	<b>15,045</b>
Finance, legal and professional	-	-	12,620	9,420	<b>22,040</b>
Depreciation	-	-	819	-	<b>819</b>
Trustee expenses	-	-	-	3,581	<b>3,581</b>
Exchange (gains) / losses	-	-	(2,173)	-	<b>(2,173)</b>
<b>Sub-total</b>	<b>80,862</b>	<b>602,541</b>	<b>243,196</b>	<b>13,001</b>	<b>939,600</b>
Allocation of support and governance costs	30,313	225,884	(243,196)	(13,001)	-
<b>Total expenditure</b>	<b>111,175</b>	<b>828,425</b>	<b>-</b>	<b>-</b>	<b>939,600</b>

**International Nepal Fellowship**

**Notes to the financial statements**

**For the year ended 30 June 2023**

**6. Total expenditure**

<b>Prior period comparative:</b>	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2022 Total £
Grants payable (note 8)	-	470,222	-	-	470,222
Volunteer workers support costs	-	11,513	-	-	11,513
Website, CRM and outsourced services	48,083	-	-	-	48,083
Fundraising expenses	21,223	-	-	-	21,223
Personnel costs (note 9)	35,735	27,777	216,854	-	280,366
Premises and office costs	-	-	20,701	-	20,701
Finance, legal and professional	-	-	10,405	8,640	19,045
Depreciation	-	-	1,231	-	1,231
Trustee expenses	-	-	-	2,721	2,721
Exchange (gains) / losses	-	-	361	-	361
Loss on disposal of fixed assets	-	-	935	-	935
<b>Sub-total</b>	105,041	509,512	250,487	11,361	876,401
Allocation of support and governance costs	44,755	217,093	(250,487)	(11,361)	-
<b>Total expenditure</b>	149,796	726,605	-	-	876,401

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2023

#### 7. Net movement in funds

This is stated after charging:

	2023 £	2022 £
Depreciation	819	1,231
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	3,581	2,721
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	<u>7,850</u>	<u>6,950</u>

Trustees' reimbursed expenses relate to board meeting expenses incurred by 4 trustees (2022: 7 trustees).

#### 8. Grants payable to partners

	2023 £	2022 £
INF Nepal	298,704	439,561
Asal Chhimekee Nepal (ACN)	83,245	22,300
Group of Helping Hands (SAHAS) Nepal	158,278	-
Sarwangin Sewa Samaj	5,000	5,750
Grants < £5k	<u>4,412</u>	<u>2,611</u>
<b>Total grants payable</b>	<b><u>549,639</u></b>	<b><u>470,222</u></b>

All grants are paid to fund charitable activities in Nepal. The grants shown above do not include any support cost allocations.

#### 9. Staff costs and numbers

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	239,638	234,943
Social security costs	18,701	16,397
Pension costs	26,452	23,282
Courses, travel and other	<u>7,648</u>	<u>5,744</u>
	<b><u>292,439</u></b>	<b><u>280,366</u></b>

No employee earned more than £60,000 during the year (2022: none).

The key management personnel of the charitable company comprise the Trustees and Chief Executive Officer. The total employee benefits of the key management personnel including gross wages, employer's national insurance and pension contributions were £62,125 (2022: £60,262).



## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2023

##### 9. Staff costs and numbers (continued)

	2023 No.	2022 No.
Average head count	<u>8.08</u>	<u>9.25</u>

##### 10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

##### 11. Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 July 2022 and 30 June 2023	<u>5,832</u>
<b>Depreciation</b>	
At 1 July 2022	3,560
Charge for the year	<u>819</u>
At 30 June 2023	<u>4,379</u>
<b>Net book value</b>	
<b>At 30 June 2023</b>	<u><u>1,453</u></u>
At 30 June 2022	<u><u>2,271</u></u>

##### 12. Investments

	2023 £	2022 £
Market value at 1 July 2022	44,652	47,688
Unrealised gains / (losses)	<u>2,763</u>	<u>(3,036)</u>
<b>Market value at 30 June 2023</b>	<u><u>47,415</u></u>	<u><u>44,652</u></u>

##### 13. Debtors

	2023 £	2022 £
Gift aid receivable	9,206	16,870
Prepayments	7,214	5,224
Accrued income	<u>26,026</u>	<u>-</u>
	<u><u>42,446</u></u>	<u><u>22,094</u></u>

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2023

---

#### 14. Creditors: amounts falling due within 1 year

	2023 £	2022 £
Grant commitments (note 16)	103,809	140,115
Accruals	21,995	43,582
Other taxation and social security	4,591	897
	<u>130,395</u>	<u>184,594</u>

#### 15. Creditors: amounts falling due after 1 year

	2023 £	2022 £
Grant commitments (note 16)	<u>16,945</u>	<u>33,083</u>

#### 16. Grants commitments

	2023 £	2022 £
Grant commitments brought forward	173,198	126,752
Grants committed during the period	549,639	470,222
Grants paid during the period	<u>(602,083)</u>	<u>(423,776)</u>
<b>Grant commitments carried forward</b>	<u>120,754</u>	<u>173,198</u>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2023

17. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	1,453	<b>1,453</b>
Investments	-	47,415	-	<b>47,415</b>
Net current assets	452,616	570,397	67,900	<b>1,090,913</b>
Creditors: due after 1 year	-	-	(16,945)	<b>(16,945)</b>
<b>Net assets at 30 June 2023</b>	<b><u>452,616</u></b>	<b><u>617,812</u></b>	<b><u>52,408</u></b>	<b><u>1,122,836</u></b>
	Restricted funds £	Designated funds £	General funds £	Total funds £
<b>Prior period comparative</b>				
Tangible fixed assets	-	-	2,271	2,271
Investments	-	44,652	-	44,652
Net current assets	717,693	486,327	43,646	1,247,666
Creditors: due after 1 year	-	-	(33,083)	(33,083)
<b>Net assets at 30 June 2022</b>	<b><u>717,693</u></b>	<b><u>530,979</u></b>	<b><u>12,834</u></b>	<b><u>1,261,506</u></b>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2023

18. Movements in funds

	At 1 July 2022 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 June 2023 £
<b>Restricted funds</b>						
<i>Partners' programmes and projects:</i>						
INF Nepal programmes & disaster relief	542,741	372,638	(573,894)	-	-	<b>341,485</b>
Gordon Leitch memorial fund	29,316	-	-	-	-	<b>29,316</b>
Chhahari School	442	-	-	-	-	<b>442</b>
HBTA	425	-	(425)	-	-	-
KISC	193	-	-	-	-	<b>193</b>
PRABHAV	334	-	(334)	-	-	-
Samaritan Home	2,746	-	(2,746)	-	-	-
Volunteer workers support fund	120,087	25,882	(76,933)	-	-	<b>69,036</b>
Welfare fund for volunteer workers	21,409	-	(9,265)	-	-	<b>12,144</b>
<b>Total restricted funds</b>	<b>717,693</b>	<b>398,520</b>	<b>(663,597)</b>	<b>-</b>	<b>-</b>	<b>452,616</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	-	<b>240,000</b>
Nepal programmes	165,979	-	-	-	100,000	<b>265,979</b>
Investment in growth	125,000	-	(13,167)	-	-	<b>111,833</b>
<i>Total designated funds</i>	<b>530,979</b>	<b>-</b>	<b>(13,167)</b>	<b>-</b>	<b>100,000</b>	<b>617,812</b>
General funds	12,834	399,647	(262,836)	2,763	(100,000)	<b>52,408</b>
<b>Total unrestricted funds</b>	<b>543,813</b>	<b>399,647</b>	<b>(276,003)</b>	<b>2,763</b>	<b>-</b>	<b>670,220</b>
<b>Total funds</b>	<b>1,261,506</b>	<b>798,167</b>	<b>(939,600)</b>	<b>2,763</b>	<b>-</b>	<b>1,122,836</b>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2023

18. Movements in funds (continued)

Prior period comparative	At 1 July 2021 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 June 2022 £
<b>Restricted funds</b>						
<i>Partners' programmes and projects:</i>						
INF Nepal programmes & disaster relief	659,326	374,130	(490,715)	-	-	<b>542,741</b>
Seconded workers	140	50	(190)	-	-	-
Chhahari School	425	17	-	-	-	<b>442</b>
Gordon Leitch memorial fund	29,316	-	-	-	-	<b>29,316</b>
HBTA	382	43	-	-	-	<b>425</b>
KISC	193	-	-	-	-	<b>193</b>
PRABHAV	334	-	-	-	-	<b>334</b>
Samaritan Home	2,746	-	-	-	-	<b>2,746</b>
Volunteer workers support fund	172,871	24,961	(77,745)	-	-	<b>120,087</b>
Welfare fund for volunteer workers	21,409	-	-	-	-	<b>21,409</b>
<b>Total restricted funds</b>	<b>887,142</b>	<b>399,201</b>	<b>(568,650)</b>	<b>-</b>	<b>-</b>	<b>717,693</b>
<b>Unrestricted funds</b>						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	-	<b>240,000</b>
Nepal programmes	100,000	65,979	-	-	-	<b>165,979</b>
Investment in growth	125,000	-	-	-	-	<b>125,000</b>
<i>Total designated funds</i>	<b>465,000</b>	<b>65,979</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>530,979</b>
General funds	30,063	293,558	(307,751)	(3,036)	-	<b>12,834</b>
<b>Total unrestricted funds</b>	<b>495,063</b>	<b>359,537</b>	<b>(307,751)</b>	<b>(3,036)</b>	<b>-</b>	<b>543,813</b>
<b>Total funds</b>	<b>1,382,205</b>	<b>758,738</b>	<b>(876,401)</b>	<b>(3,036)</b>	<b>-</b>	<b>1,261,506</b>

## International Nepal Fellowship

### Notes to the financial statements

For the year ended 30 June 2023

---

#### 18. Movements in funds (continued)

##### **Purposes of restricted funds**

##### **Partners' programmes and projects**

The charity raises funds to support its partners' programmes and projects, primarily from individuals, trusts and foundations. These funds are managed and paid to partners under Memorandums of Understanding (MoUs) signed between the charity and its partners. An MoU will reference the plans and budgets upon which an agreement has been made, and it will also contain a reporting and payment schedule. Payments are normally paid against a report from a partner detailing the work completed against its plans and money spent against the previously submitted budget. MoUs normally cover a period of 12-36 months. Funds received by the charity for a partner's project, but not yet guaranteed for payment, are held as restricted funds in the charity's accounts until firm commitments are made.

##### **Volunteer workers support fund**

The purpose of this fund is several-fold. This provides a cushion against fluctuating income for volunteer allowances and gives peace of mind to volunteer workers while serving with INF. It also provides liquid funds to enable the repatriation of all workers from Nepal in the event of a natural disaster or civil unrest. Finally, because living allowances are higher when a volunteer is on Home Assignment in his/her home country, an element of provision is needed to cover these higher costs.

##### **Welfare fund for volunteer workers**

This fund is a result of a major fundraising effort some years ago on behalf of Volunteer Workers. It has grown through continuing standing orders and now amounts to £12,144. One example of the way this fund is used are small individual grants offered to retired Volunteer Workers to assist for travel costs associated with INF Conferences.

##### **Purposes of designated funds**

##### **Operating reserve**

The policy of the board is to hold an operating reserve of 6–12 months of the budgeted annual costs of INF/UK to cover unforeseen operating events. The sum of £240,000 is held in this reserve being approximately 8 months budgeted annual costs for 2023/24.

##### **Nepal programmes**

Moneys allocated from the general fund for grants to partners in Nepal, but not yet disbursed, are designated as the programmes fund. Grants given by INF/UK are assessed against agreed criteria including INF's charitable purposes and its agreed vision and mission statements. Grants may be given for periods up to 3 years and are documented in memorandums of understanding with each partner.

##### **Investment in growth**

The charity recognises that it will incur costs as a result of its growth strategy ahead of generating income. Expenditure against the fund in 2022/23 relates to external fundraising costs.

## International Nepal Fellowship

### Notes to the financial statements

#### For the year ended 30 June 2023

---

#### 19. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	<b>2023</b>	2022
	£	£
Amount falling due:		
Within 1 year	<b>1,800</b>	4,500
Within 1 - 5 years	<u>-</u>	<u>-</u>
	<b><u>1,800</u></b>	<b><u>4,500</u></b>

#### 20. Related party transactions

There were no related party transactions during the year (2022: none).

#### 21. Financial instruments at fair value

	<b>2023</b>	2022
	£	£
Financial assets measured at fair value	<b><u>47,415</u></b>	<b><u>44,652</u></b>

Financial assets measured at fair value comprise listed investments.

#### 22. Contingent assets

The charity had been notified of a legacy at 31 March 2023 for which the final amount receivable was not known and therefore the legacy is not accrued. Indications are that the estimated value of this legacy is around £40k.