



UMN Support Trust

Report and accounts

For the Year Ended 17 September 2021

Report and Accounts Contents

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Legal and Administrative Information

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

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

The following were appointed after the September 2021 Year End

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

Secretary

Alan Penn

Registered Office

97 Eastern Avenue
Chippenham
Wiltshire
SN15 3SF

Coordinating Trustee and main contact

Alan Penn

Bankers

Lloyds Bank
PO Box 1000
BX1 1LT

**Date of Incorporation
Company Number**

18 September 2012
8219609

**Date entered onto Register of Charities
Registration number**

30 April 2013
1151842

Website

www.UMNSupporttrust.org

Independent Examiners

Mr. S Hardy
10 Harford Close
Chippenham
Wiltshire
SN15 3PY

J. Budgell ACMA
29 Pavely Close
Chippenham
Wiltshire
SN15 2BZ

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

I report on the financial statements of the UMN Support Trust for the year ended 17 September 2021 as set out on pages 12 to 15

Respective Responsibilities of Trustees and Examiner

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

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

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

Basis of the Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with Section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of their Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

 7th April 2022

S. Hardy
10 Harford Close
Chippenham Wiltshire
SN15 3PY



CHARITY COMMISSION
FOR ENGLAND AND WALES

Independent examiner's report on the accounts

Section A Independent Examiner's Report

Report to the
trustees/directors/
members of

Charity Name
UMN SUPPORT TRUST

On accounts for the year
ended

17th SEPTEMBER 2021

Charity no.:

1151842

Company no.:

08219609

Set out on pages

7 to 16

(remember to include the page numbers of additional sheets)

I report to the charity trustees on my examination of the accounts of the Company for the year ended 17/09/2021

Responsibilities and
basis of report

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

Independent
examiner's statement

[The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of [insert name of applicable listed body]]. Delete [] if not applicable.

I have completed my examination. I confirm that no material matters have come to my attention (other than that disclosed below *) which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

** Please delete the words in the brackets if they do not apply.*

Signed:  Date: 28/4/2022

Name: JENNIFER BUDGELL

Relevant professional qualification(s) or body (if any): CIMA

Address: 29 PAVELY CLOSE
CHIPPENHAM
SN15 2BZ

Section B Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

Report of the Directors and Trustees for year ending 17 September 2021

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

Structure, Governance and Management

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

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

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

Objects, Activities and Public Benefit

UMNST is an independent Christian charity focusing on addressing poverty primarily in Nepal by, but not solely, promoting the charitable purposes of UMN, an International Non- Government Organisation that has worked only in Nepal for 67 years to alleviate poverty.

Support will be given to specific community-based poverty alleviation programmes being undertaken by UMN's Nepali partner organisations, by publicising, promoting and financially supporting those programmes. UMN's contribution of advising and field monitoring of the projects and simultaneously capacity building the partner organisations will also be included in the budget of the programmes that UMNST is supporting. Support may also be given to the education or development training of locally selected children and young people where it can be shown that finance is not otherwise available for the activity to take place.

All programmes must be agreed by UMN and UMNST before being supported.

In addition, UMNST will publicise, promote and support the work of UMN's two rural mission hospitals at Tansen and Okhaldhunga.

MAJOR EVENTS

Succession planning

In view of the age of two of the trustees (Alan Penn being one of them), it was decided that Dr. David Rodgers, being recently retired, should start to understudy Alan, with a view to taking over the administration role during the financial year 2021-22. David has obtained new charity software which he will learn to use / operate from September 2021 with Alan running his old system in parallel.

Three additional trustees appointed after the 2020-21 year end bring a wealth of relevant experience and will strengthen the board.

UMN Support Trust's agreement to be the Founder of UMN MDT in Nepal

Although UMN has been working in Nepal since 1954 and founded the hospitals at Tansen and Okhaldhunga they were allowed to operate by Nepal's government under five-year agreements with the programmes and funding from overseas specified.

In 2020 during the hospital agreement discussions, the Ministry of Health and Population (**MoHP**) decided that the hospitals had to be run by a Nepali incorporated organisation which could have a board of Nepali and foreign members. This was a new type of organisation called a Guthi. A Guthi must be funded from outside of Nepal and founded by an overseas organisation. The founding organisation must provide \$1m USD within the first three months.

UMNST, at the request of UMN and the hospitals, agreed to be the legal Founder of a Guthi named UMN Medical and Development Trust (UMN MDT).

The Founding Hospital Grant

The \$1m (£766,255+£30 bank charges) funding was granted to UMN MDT by 23 December 2020. The funds were provided as follows:-

- by carrying forward £198,368 of hospital designated funds from the year ending 17 September 2020 comprising £181,857 from the 'Save Our Hospitals' appeal and £16,511 or from other donations.
- Normission, a Norwegian Christian Charity, which is a significant supporter of UMN's hospitals, granted £418,559 to UMNST.
- a further £111,372 was granted to UMNST by three other charitable organisations (one from USA, one from Norway and one from UK).
- The balance of £37,956 was the result of UMNST receiving additional Hospital Appeal funds and normal hospital donations in the first three months of 2020-21.

Subsequent Hospital Grants

All subsequent UMNST grants to the hospitals were made through UMN MDT and either designated to individual hospitals or they were hospital appeal donations to be allocated by UMN MDT.

The total amount granted to UMN MDT during the year was £843,438. When making the grants UMNST informed UMN MDT of the amounts which were specified for named hospitals (Tansen or Okhaldhunga) and specific uses - (general, medical assistance fund, rehabilitation, or community work).

Grants Made to United Mission to Nepal.

The COVID pandemic continued to restrict the amount of project work that UMN and its local partner organisations were able to undertake in their districts. Not all of the funds received for UMN were allotted to projects and £36,430 for UMN was carried forward at the end of the year.

UMN Oxygen Appeal - £67,220

In addition to the two UMN hospitals needing increased oxygen supplies to assist those with COVID, there were also oxygen shortages in several communities where UMN Partner organisations were working. UMN, therefore, organised an Appeal for funds to provide oxygen cylinders and related equipment. UK supporters were encouraged to give through UMNST and in addition there were some supporters from other countries gave through UMNST's PayPal account which is available on the UMN website.

Disability Project - £26,200

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

Disability Hostel - £10,000

The new hostel, attached to Banthpali Secondary school at Lekhgaun in Bajhang district, will provide four rooms each sleeping six visually impaired students. Any spare spaces will be used for orphaned children. It replaces the totally inadequate and unsafe current accommodation. The distances and poor terrain make daily walking to school (there is no motorised transport) impossible for the visually impaired pupils. The total cost of the rebuilding is £32,730 of which the school is contributing £6,300

HIV and AIDS Project - £7,000

This grant was a contribution for the final year of a three year-project building the capacity of the partners in Sunsari and Rupendehi districts. It involved undertaking programmes to educate the community and benefit those with HIV and AIDS. The total budget for the three years was £118,900 and the project builds on a previous three-year UMN project.

Advocacy Project – £7,000

This grant contributed to the cost of a one-year project aimed at empowering and equipping Nepali communities, especially the Poorest People Living in Poverty so that they can enjoy their benefits and entitlements without discrimination. The activities were undertaken in three districts and built upon work that had previously been undertaken.

Feet Correction Project - £2,500

This was a contribution to a small project carried out by one partner in Rukum district where 9 children had corrective surgery for club feet and 4 for deformities to their upper limbs. The total cost was \$8,160 USD.

Traditional Practices Project - £1,000

This is the last year of a four-year project in Bajhang District combating traditional practices that are harmful to women and girls. It has been a four-year programme across all age groups from primary school children, adolescents, fathers and husbands, women, community political and religious leaders, and the media. Girls and women are very much second-class citizens and girls suffer from lower education opportunities, very early marriages and a lower place in society. The total project four-year budget was £50,400 and the £1,000 grant was requested by UMN to fund the end of project shortfall.

Sources of Income

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

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

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

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

Outgoings

UMNST will keep its own costs to a minimum.

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

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

Projects for 2021/22

- UMNST will continue to publicise and support any natural disaster in Nepal which UMN or its Nepali partner organisations can respond to.
- UMN will identify community projects that require funding assistance for UMNST to consider for promotion.
- UMN's Mission hospitals at Tansen and Okhaldhunga will continue to receive support.
- Some supporters will undoubtedly favour specific areas of the work of UMN and its hospitals. UMNST will ensure that they make grants to and monitor appropriate projects to ensure that funds granted were used effectively in line with the supporters' wishes.

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

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Report of the Directors and the financial statements in accordance with the applicable law and regulations. Company law and the Charity Commission require the Directors to prepare financial statements for each financial year. The Directors have elected to prepare the financial statements in accordance with the charity's 'Statement of Recommended Practice (revised 2005)' and in accordance with the requirements of annual Corporate reporting and taking into account the fact that the company is a 'small' company. The Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period and its charitable status. In preparing these financial statements, the Directors are required to

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

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

Directors' Interests

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

Report Approved by the Directors (who are also Trustees) on 30/04/22

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



30th April 2022

Alan Penn (Director and Company Secretary)

Statement of Financial Activities (including Income and Expenditure Account) for the year (12 months) ending 17th September 2021

Operating Account

	Note	Undesignated Funds 2020/21	Restricted Funds 2020/21	Total Funds 2020/21	Previous Total 2019/20
INCOMING RESOURCES					
Sales processed on behalf of UMN	1		341	341	738
For the Hospitals	2		638,049	638,049	192,403
UMN General Projects		5,460	22,494	27,954	49,569
UMN Oxygen Appeal			61,724	61,724	
Investment Income	3		9,813	9,813	12,048
Gift Aid – Hospitals			8,522	8,522	18,130
Gift Aid – Other donations		1,365	7,652	9,017	8,566
Total incoming resources		6,825	748,595	755,420	281,454
Sales – due to UMN			341	341	738
UMN – Oxygen Projects	4		67,220	67,220	0
UMN / Partner community projects	4	11,550	42,150	53,700	19,969
Hospitals via UMNMDT	5		843,438	843,438	
Tansen Hospital	5				14,160
Okhaldhunga Hospital	5				3,250
Total resources expended		11,550	953,149	964,699	38,117
Nett movement		-4,725	-204,554	-209,279	243,337
Operating Funds brought forward		5,255	241,283	246,538	3,201
Operating Funds carried forward		530	36,759	37,259	246,538

Investment account

Unrealised gains / (losses) on investments				175,542	35,953
Value of Investments				1,213,728	1,038,186
Value of Loan to be Repaid				840,000	840,000
Nett investment value carried forward			373,728	373,728	198,186

Total Funds

Total Funds carried forward		530	410,457	410,987	444,724
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Balance Sheet - For the year ending 17th September 2021

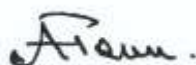
	2020/21	Notes	2019/20
Fixed Assets	0		0
Intangible Assets	0		0
Tangible Assets	0		0
Investments	0		0
Current Assets			
Stocks	0		0
Debtors	77	6	373
Value of Investments	1,213,728	7	1,038,186
Cash at bank and in hand	37,182		246,952
Current Liabilities			
Creditors – loans falling due within one year	840,000	8	840,000
Other, UMN sales	0	8	787
Total assets less current liabilities	410,987		444,724
Creditors– amounts falling due after more than one year			
Nett Assets	410,987		444,724
Funds Balance Carried Forward	410,987		444,724
Designation of Balance			
Undesignated	530		5,255
Restricted funds			
Restricted funds – UMNMDT			181,857
Restricted funds, UMN community work	36,400		42,915
Restricted funds, Mission Hospitals	329		16,511
Restricted funds – Nett unrealised value of investments	373,728		198,186

For the year ending 17/9/2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

Accounts were approved by the Directors who are also the Trustees on 30th April 2022 and signed on their behalf by:



30th April 2022

Notes forming part of the Financial Statements for the year ended 17th September 2021

Accounting Policies

The principal accounting policies are summarised below.

Basis of accounting

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

Fund accounting

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

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

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

Incoming resources

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

The following policies are applied to particular categories of income:

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

Donated services and facilities and the value of services provided by volunteers have not been included in these accounts.

Investment income is included when received.

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

Resources expended

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

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

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

Loans Received

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

Note 1. – Sales.

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

Note 2 – Donations for the Hospitals

As detailed on Page 8 of this report the £638,049 comprises of £539,931 granted to UMST by four charities to enable UMNST to meet the requirement of providing the initial funding for UMN MDT of \$1m USD in the first three months of its existence.

Note 3 – Investment Income

As described above under loans received.

Note 4 – Grants made to UMN and partners.

For the community projects as described in Page 9 - 10 of this report.

Note 5 – Grants to Tansen and Okhaldhunga Mission Hospital

Grants for the general running cost, medical assistance costs for poor patients, equipment and a community health project in Okhaldhunga. All hospital grants are made through UMN MDT.

Note 6 – Debtors

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

Note 7 – Investments held as Current Assets

The underlying investments are valued at market value at 17 September 2021

- COIF Charities Investment Fund Accumulation Units (£195,234)
- Schroder Charity Multi-Asset Fund (£153,718)
- Smith & Williamson Investment Services – managed portfolio (£558,803)
- Link Solutions – Trojan Fund 'S' Accumulation Units (£305,973)

Note 8 – Creditors – amount falling due in less than one year

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

There is no amount due to be paid to UMN for sales made up to September 2021.

Note re Taxation

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