

**Charity Registration No. 1013340**

**Company Registration No. 02728600 (England and Wales)**

**HEAL**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2021**

# HEAL

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Dr A Aggarwal Mr K P Jones Dr K S Prasad Mr M Church Mr C Charlton Mrs M Renton Mrs E A Bane Dr P Gandamaneni Mrs J Constance Mr V G Gidney	(Appointed 24 April 2021)     Chairman    Treasurer
<b>Charity number</b>	1013340	
<b>Company number</b>	02728600	
<b>Registered office</b>	1a Church Street Alwalton Peterborough United Kingdom PE7 3UU	
<b>Independent examiner</b>	Azets Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire United Kingdom PE1 2SP	

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# HEAL

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# HEAL

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 JULY 2021

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The trustees present their report and financial statements for the year ended 31 July 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

##### a) Objectives

The objects of the charity are to relieve the sickness, and to aid the preservation and protection of health and advancement of education in this country and any other country in the world.

##### b) Aims, objectives, strategies and activities for the year

During the year we have continued with our objective of raising funds to assist in covering the running costs of the Paradise Village residential school in conjunction with Heal India and other funding partners. We also cover the full running costs of the original three projects in India (Guntar, Bhadrachalam and Vijayawada Kanuru) from funds raised.

In considering, reviewing and planning our future objectives, aims and activities of the charity, we have referred to the guidance contained in the Charity Commission's general guidance on public benefit and the trustees have considered how they will contribute to the aims and objectives they have set.

##### c) Financial review

The trustees are satisfied with the financial performance during the year.

##### d) Reserves policy

The Trustees have agreed that the policy of the charity is to establish unrestricted funds at a level that equates to cover 6 months funding of the residential children in Paradise and Guntur.

##### e) Future plans

The charity intends to continue raising funds to cover the projects in India.

#### Achievements and performance

##### Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

# HEAL

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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### Structure, governance and management

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr K Jones

Dr K Prasad

Mr M Church

Mr C Charlton

Mrs M Renton

Mrs E A Bane

Dr P Gandamaneni

Mrs J Constance

Mr V G Gidney

Dr A Aggarwal

(Appointed 24 April 2021)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

### a) Governing document

HEAL was incorporated as a company limited by guarantee on 3 July 1992 and is registered with the Charity Commissioners.

The charity is a company limited by guarantee, its governing document being the Memorandum of Articles of Association.

### b) Recruitment, Appointment and Induction of Trustees

We seek to bring new trustees onto the board who can complement the skills base of the existing members of the board. Invitation is made at the Annual General Meeting and at other times throughout the year. Interested parties are invited to meet with the Chairperson and other trustees to obtain an understanding of the charity, its aims and objectives and how they may be able to further the development of the charity.

The chairperson formally proposes any new trustee to the full board and, if approved, the new trustee is invited to join the board of trustees.

### c) Organisational Structure

The trustees meet on a regular basis, normally bi-monthly to consider and decide the strategic direction and policy of the charity. The board also take the opportunity to consider issues such as legal, premises, planning and staffing matters which have arisen between meetings.

The trustees also meet regularly with representatives from those responsible for the operational management of the charity on a day to day basis, ensuring that the charity delivers the services specified and that progress is made in achieving the charity's objectives.

### d) Risk management

The trustees have examined the major strategic, business and operational risks which the charitable company faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

The trustees' report was approved by the Board of Trustees.

**Mr V G Gidney**

Director

Dated: 1 April 2022

# HEAL

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HEAL

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I report on the financial statements of the charity for the year ended 31 July 2021, which are set out on pages 4 to 11.

### **Respective responsibilities of trustees and examiner**

The charity's trustees, who are also the directors of HEAL for the purposes of company law, are responsible for the preparation of the financial statements. 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:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) 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
- (iii) to state whether particular matters have come to my attention.

### **Basis of 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 financial statements, and seeking explanations from you as 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 next statement.

### **Independent examiner's statement**

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

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - (ii) to prepare financial statements 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 the Statement of Recommended Practice: Accounting and Reporting by Charities;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

K P Craig FCCA CTA  
Azets  
Ruthlyn House  
90 Lincoln Road  
Peterborough  
Cambridgeshire  
PE1 2SP  
United Kingdom

Dated: 1 April 2022

# HEAL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
<b>Income from:</b>							
Incoming resources from charitable activities	3	43,630	164,164	207,794	90,134	128,802	218,936
Investments	4	110	-	110	269	-	269
<b>Total income</b>		<u>43,740</u>	<u>164,164</u>	<u>207,904</u>	<u>90,403</u>	<u>128,802</u>	<u>219,205</u>
<b>Expenditure on:</b>							
Charitable activities	5	11,327	198,124	209,451	22,511	143,500	166,011
<b>Net incoming/ (outgoing) resources before transfers</b>		32,413	(33,960)	(1,547)	67,892	(14,698)	53,194
Gross transfers between funds		(35,000)	35,000	-	(14,000)	14,000	-
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<u>(2,587)</u>	<u>1,040</u>	<u>(1,547)</u>	<u>53,892</u>	<u>(698)</u>	<u>53,194</u>
Fund balances at 1 August 2020		<u>193,212</u>	<u>1,247</u>	<u>194,459</u>	<u>139,320</u>	<u>1,945</u>	<u>141,265</u>
<b>Fund balances at 31 July 2021</b>		<u><u>190,625</u></u>	<u><u>2,287</u></u>	<u><u>192,912</u></u>	<u><u>193,212</u></u>	<u><u>1,247</u></u>	<u><u>194,459</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# HEAL

## BALANCE SHEET

AS AT 31 JULY 2021

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	Notes	2021 £	£	2020 £	£
<b>Current assets</b>					
Debtors	9	21,876		26,995	
Cash at bank and in hand		171,036		167,464	
		<u>192,912</u>		<u>194,459</u>	
Net current assets			192,912		194,459
			<u><u>192,912</u></u>		<u><u>194,459</u></u>
<b>Income funds</b>					
Restricted funds	10		2,287		1,247
Unrestricted funds			190,625		193,212
			<u>192,912</u>		<u>194,459</u>
			<u><u>192,912</u></u>		<u><u>194,459</u></u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2021.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 1 April 2022

Mr V G Gidney  
Trustee

Company Registration No. 02728600

# HEAL

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 JULY 2021

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#### 1 Accounting policies

##### Charity information

HEAL is a private company limited by guarantee incorporated in England and Wales. The registered office is 1a Church Street, Alwalton, Peterborough, PE7 3UU, United Kingdom.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

##### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

##### 1.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# HEAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2021

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#### 1 Accounting policies

(Continued)

##### 1.6 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# HEAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 3 Incoming resources from charitable activities

	2021 £	2020 £
Child sponsorship	68,923	67,949
Covenants	7,830	7,716
Credit card and cash donations	109,164	116,291
Taxation refund - gift aid	21,877	26,980
	<u>207,794</u>	<u>218,936</u>
Analysis by fund		
Unrestricted funds	43,630	
Restricted funds	164,164	
	<u>207,794</u>	
<b>For the year ended 31 July 2020</b>		
Unrestricted funds		90,134
Restricted funds		128,802
		<u>218,936</u>

### 4 Investments

	<b>Unrestricted funds</b>	
	<b>2021 £</b>	<b>2020 £</b>
Interest receivable	110	269
	<u>110</u>	<u>269</u>

# HEAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 5 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
HEAL India Poverty Trap running costs		78,426	78,426	55,325
HEAL India Paradise Village running costs	-	45,800	45,800	105,150
HEAL India Eloh project	-	15,474	15,474	-
Endowment Fund	-	43,000	43,000	3,000
Distance Education faculty	-	20,000	20,000	-
HEAL Canada	-	4,100	4,100	-
		<u>206,800</u>	<u>206,800</u>	<u>163,475</u>
Share of governance costs (see note 6)	2,651	-	2,651	2,536
	<u>11,327</u>	<u>198,124</u>	<u>209,451</u>	<u>166,011</u>

### 6 Support costs

	Governance costs £	2021 £	2020 £
Insurance	687	687	687
Bank charges	150	150	100
Online donation costs and other fees	1,526	1,526	1,749
Accountancy	288	288	-
	<u>2,651</u>	<u>2,651</u>	<u>2,536</u>
Analysed between Charitable activities	<u>2,651</u>	<u>2,651</u>	<u>2,536</u>

### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	<u>-</u>	<u>-</u>

# HEAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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<b>9 Debtors</b>	<b>2021</b>	<b>2020</b>
<b>Amounts falling due within one year:</b>	<b>£</b>	<b>£</b>
Trade debtors	21,876	26,995
	<u>21,876</u>	<u>26,995</u>

# HEAL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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### 10 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Movement in funds				
	Balance at 1 August 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 August 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 July 2021 £
HEAL India Poverty Trap	1,945	128,802	(143,500)	14,000	1,247	164,164	(198,124)	35,000	2,287