

Charity registration number 1013340

Company registration number 02728600 (England and Wales)

HEAL

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

HEAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr K S Prasad Mr M Church Mrs M Renton (Chairman) Mrs E A Bane Dr P Gandamaneni Mrs J Constance Mr V G Gidney (Treasurer) Dr A Aggarwal
Charity number	1013340
Company number	02728600
Registered office	1a Church Street Alwalton Peterborough United Kingdom PE7 3UU
Independent examiner	Mr Mark Jackson FCA DChA Azets Ruthlyn House 90 Lincoln Road Peterborough Cambridgeshire United Kingdom PE1 2SP

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2022

The trustees present their annual report and financial statements for the year ended 31 July 2022.

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) 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 that have not been designated for a specific use should be maintained at a minimum of £50,000. The trustees consider 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 have 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.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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 P Jones	(Resigned 17 July 2022)
Dr K S Prasad	
Mr M Church	
Mr C Charlton	(Resigned 17 July 2022)
Mrs M Renton (Chairman)	
Mrs E A Bane	
Dr P Gandamaneni	
Mrs J Constance	
Mr V G Gidney (Treasurer)	
Dr A Aggarwal	

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 (Treasurer)

Director

Dated: 22 May 2023

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HEAL

I report to the trustees on my examination of the financial statements of HEAL (the charity) for the year ended 31 July 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.

Mr Mark Jackson FCA DChA

Azets
Ruthlyn House
90 Lincoln Road
Peterborough
Cambridgeshire
PE1 2SP
United Kingdom

Dated: 22 May 2023

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STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
Income from:							
Incoming resources							
from charitable activities	3	22,528	141,019	163,547	43,630	164,164	207,794
Investments	4	46	-	46	110	-	110
Total income		<u>22,574</u>	<u>141,019</u>	<u>163,593</u>	<u>43,740</u>	<u>164,164</u>	<u>207,904</u>
Expenditure on:							
Charitable activities	5	2,997	176,755	179,752	11,327	198,124	209,451
Net incoming/(outgoing) resources before transfers		<u>19,577</u>	<u>(35,736)</u>	<u>(16,159)</u>	<u>32,413</u>	<u>(33,960)</u>	<u>(1,547)</u>
Gross transfers between funds		<u>(33,449)</u>	<u>33,449</u>	<u>-</u>	<u>(35,000)</u>	<u>35,000</u>	<u>-</u>
Net expenditure for the year/ Net movement in funds		<u>(13,872)</u>	<u>(2,287)</u>	<u>(16,159)</u>	<u>(2,587)</u>	<u>1,040</u>	<u>(1,547)</u>
Fund balances at 1 August 2021		<u>190,625</u>	<u>2,287</u>	<u>192,912</u>	<u>193,212</u>	<u>1,247</u>	<u>194,459</u>
Fund balances at 31 July 2022		<u><u>176,753</u></u>	<u><u>-</u></u>	<u><u>176,753</u></u>	<u><u>190,625</u></u>	<u><u>2,287</u></u>	<u><u>192,912</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.

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BALANCE SHEET AS AT 31 JULY 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	9	79,637		21,876	
Cash at bank and in hand		97,966		171,036	
		<u>177,603</u>		<u>192,912</u>	
Creditors: amounts falling due within one year					
	10	<u>(850)</u>		-	
Net current assets			<u>176,753</u>		<u>192,912</u>
Income funds					
Restricted funds	11		-		2,287
Unrestricted funds			<u>176,753</u>		<u>190,625</u>
			<u>176,753</u>		<u>192,912</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 2022.

The directors acknowledge their 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 22 May 2023

Mr V G Gidney (Treasurer)
Trustee

Company registration number 02728600

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 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. 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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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.

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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.

3 Incoming resources from charitable activities

	2022 £	2021 £
Child sponsorship	59,590	68,923
Covenants	7,740	7,830
Credit card and cash donations	76,277	109,164
Taxation refund - gift aid	19,940	21,877
	<u>163,547</u>	<u>207,794</u>
Analysis by fund		
Unrestricted funds	22,528	
Restricted funds	141,019	
	<u>163,547</u>	
For the year ended 31 July 2021		
Unrestricted funds		43,630
Restricted funds		164,164
		<u>207,794</u>

4 Investments

	Unrestricted funds	
	2022 £	2021 £
Interest receivable	46	110
	<u>46</u>	<u>110</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

5 Charitable activities

	2022 £	2021 £
HEAL India Paradise Village running costs	135,506	45,800
HEAL India Eloh project	-	15,474
Endowment Fund	-	43,000
HEAL India Poverty Trap running costs	42,445	78,426
Distance Education faculty	-	20,000
HEAL Canada	-	4,100
	<u>177,951</u>	<u>206,800</u>
Share of governance costs (see note 6)	1,801	2,651
	<u>179,752</u>	<u>209,451</u>
Analysis by fund		
Unrestricted funds	2,997	11,327
Restricted funds	176,755	198,124
	<u>179,752</u>	<u>209,451</u>

6 Support costs

	Governance costs £	2022 £	2021 £
Insurance	239	239	687
Bank charges	125	125	150
Online donation costs and other fees	725	725	1,526
Accountancy	712	712	288
	<u>1,801</u>	<u>1,801</u>	<u>2,651</u>
Analysed between Charitable activities	<u>1,801</u>	<u>1,801</u>	<u>2,651</u>

7 Trustees

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

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

8 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Total	-	-
	<u> </u>	<u> </u>

There were no employees whose annual remuneration was more than £60,000.

9 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	19,637	21,876
Prepayments and accrued income	60,000	-
	<u> </u>	<u> </u>
	<u>79,637</u>	<u>21,876</u>

10 Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	850	-
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

11 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 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 August 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 July 2022 £
HEAL India Poverty Trap	1,247	164,164	(198,124)	35,000	2,287	141,019	(176,755)	33,449	-