



INTERNATIONAL NEPAL FELLOWSHIP

Annual Report and Audited Accounts

Year ending 30 June 2024

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

We are a company limited by guarantee (no. 3060972), registered office at
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Contents

3	Chief Executive's Summary
5	About INF UK
6	Partners in Nepal
6	Impact in 2023-24
	<ul style="list-style-type: none">• Healthcare• Resilient Communities• Education• Emergency Relief• Capital projects
11	Safeguarding
11	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

Background to 2023-24

When the world emerged from the Covid-19 pandemic there was speculation about what the 'new normal' would look like, accompanied by hope-filled comments of 'building back better'.

During 2023-24 speculation has given way to clarity that is summed in a single word: 'polycrisis', defined as a combination of environmental, geopolitical, and economic crises.

Hope has been replaced by despair, the protracted conflict between the Ukraine and Russia has led to a significant leap in food insecurity for the world's poorest. The attack on Israel, and Israel's subsequent response, has brought conflict and instability to the wider region. Both conflicts have sucked up government funding and political energy that might otherwise have gone to reducing global poverty and providing hope for millions of people worldwide.

The world's climate continues to heat up unabated, leading to changing weather patterns and weather-related natural disasters such as floods, which have increased in significance and severity in Nepal.

Slow growth in major European economies, coupled with a rise in right-wing populism in some countries, has resulted in major cuts from traditionally reliable donor countries.

The UK's foreign aid commitment suffered further cuts, from £15.3bn in 2023 to £14.3bn in 2024-25. These headline figures mask an even larger, real terms cut as spending on refugees in the UK is projected to suck up 28% of this reduced figure.

Germany, the world's second largest donor country after the USA, has cut its foreign aid budget by over €3.6 billion. INF UK co-partners a German INGO accessing substantial funding for INF in Nepal. These cuts will almost certainly impact future funding.

Other usually reliable countries supporting development in Nepal, such as the Netherlands, Sweden and Norway, are also reducing their international aid budgets, Norway to a 46-year low.

The EU, the largest international aid donor in the world, is slashing its aid budget and increasingly focussing its funding on countries in which it has a strategic interest.

Ahead will be the impact of Donald Trump becoming the 47th president of the USA. There are nascent plans to withdraw immediately from the WHO and refocus USAID priorities. On the positive side, this may benefit INF if the predicted increase in funding for Christian faith-based groups happens.

We have been broadening our fundraising efforts beyond the UK, with applications to a range of international foundations and institutional donors, however securing funding to support our partners' projects has been extremely challenging this year. More positively, giving by individual donors and churches has been strong and is holding up well. We are very grateful for all our supporters who continue to support the journey of Nepal's development. There are signs of this bearing fruit as Nepal is set to graduate from a Least Developed Country (LDC) to a Lower-Middle Income Country (LMIC) in 2026, however that change could also result in Nepal being de-prioritised by some funders over the coming years.

INF UK is experiencing the above polycrisis and the ever-increasing competition for aid funding that remains. Despite these challenges, our partners have achieved much for the most disadvantaged Nepalis as you can read in this report.

Locally led development and localisation

‘Locally led’ or ‘localisation’ is the shifting of power within the aid system from international donors, implementers, and aid agencies to local actors and communities, and is a key step towards a more equitable world.

Locally led development is not new and has been part of the international development conversation for many years but until very recently it has not received the prominence it deserves.

What does this mean for INF UK? In November 2024 about half of the INF UK board visited Nepal to celebrate INF’s 72 years of serving Nepal and its people. We were reminded by our Nepali colleagues of those early days when a small number of white missionaries trekked into Nepal to start a clinic in Pokhara. The small medical work that started in 1952 has grown into three hospitals and many community-based projects, serving tens of thousands of people annually.

A sense of pride in being the longest serving INGO in Nepal is understandable, but we were struck how our current story risks being overshadowed by our history. The reality is, we are not the organisation we were twenty years ago. In 2005 the Nepal based organisation passed from western leadership into the hands of its Nepali leaders, both at Director and board levels. Strategies, programmes and projects have been locally led for two decades. This is a history to be proud of, this is a story we should shout about!

At their heart the terms ‘community-led’, ‘locally led’, ‘localisation’ and ‘decolonisation’ have meanings that continue to shape and direct how we work with partners.

A key pillar of localisation is having a deep, context-specific understanding of the relationships between people, processes and institutions within a country. Our relationships with partners over many decades have helped create INF UK’s unique, context specific understandings in Nepal.

Leadership changes in 2024-25

2025 will mark an important change for me personally as I shall retire from 27 years of leading INF UK, handing onto a new CEO in early 2025. It has been an immense privilege to have served for such a long period of time, making deep and lasting friendships, and overseeing several important strategic changes during my tenure. INF UK is again at a point of inflection, not just because of the challenges outlined above, but also because of the opportunities that these will inevitably bring. I look forward to supporting my successor when appointed.

As well as a change of CEO, INF UK has also had a change in Chair of our Board. In October 2024, Mike Thomas retired after serving for 10 years and has been replaced by Dr Ian Smith, formerly Chief of Staff of the Director General’s Office of the WHO. Ian is supported by an incredible group of trustees, full of experience and talent.

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 2024.

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 this relationship we have supported INF's three hospitals in Pokhara, Surkhet and Banke, as well as major development projects serving remote communities in western districts which include helping disadvantaged people become more resilient to major threats to their livelihoods such as climate change and natural disasters.

Asal Chhimekee Nepal (ACN): The social action arm of the Pokhara Christian Community (PCC), a grouping of 60-plus churches based in the Pokhara area, ACN's name translates as 'Good Neighbour Nepal'. ACN has valuable expertise in helping communities respond to natural disasters, working in conjunction with municipal authorities, and will often also mobilise networks of local churches to support disaster relief activities. We have also supported aspects of ACN's community development work serving marginalised people.

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 includes a project in an eastern district of the Terai which is not covered by our other partners.

United Mission to Nepal (UMN): Another long-standing and highly respected Christian development organisation, UMN has also been serving in Nepal since the 1950s. An update on the pilot year of an education project delivered in partnership with INF UK is included below.

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.

Impact in 2023-24

Healthcare

Green Pastures Hospital, Pokhara

Towards Zero Leprosy (INF Nepal)

Green Pastures Hospital provides comprehensive care, including diagnosis, treatment, and rehabilitation for individuals affected by leprosy in western Nepal. The hospital also serves as a center for study on leprosy, contributing valuable insights to the global effort to combat the disease.

This year there were 312 people affected by leprosy admitted for inpatient care at Green Pastures, while 2,142 people received outpatient care. 89 new leprosy cases were diagnosed. For more severe cases, 38 people had reconstructive surgery and there were 72 other types of surgery performed for amputations, nerve decompressions and septic issues.

The number of physiotherapy, occupational therapy and speech therapy sessions provided was 7,921. A total of 541 items of footwear and other assistive devices were provided.

Greenhouse, Courtyard and Safe Farming Area (INF Nepal)

A new facility to support the rehabilitation of leprosy patients opened in February 2024 at Green Pastures Hospital. Adjoining the Eileen and Betty Centre (leprosy ward), this outdoor area includes a wheelchair-friendly courtyard, a green house, and a safe farming field. It not only supports their holistic rehabilitation but also gives them skills to use when back at home.

This area is used to grow a range of vegetables, herbs and flowers, and the greenhouse includes a table for training patients about planting and growing. A Safe Farming Trainer helps patients develop their agricultural skills, including how to use adapted tools and avoid injury if they have leprosy-related numbness or other issues caused by complications from leprosy.

Waste Management (INF Nepal)

A new waste management facility was created on the Green Pastures Hospital site. Six colour-coded sections (general waste, bio hazardous waste, infectious waste, pharmaceutical waste, pathological waste, and sharps waste) are included and a leaflet was produced to guide staff in improved waste management, reducing the risks to patients, staff, local community and the environment.

*INF UK also supported hospital services for **Children with Developmental Disorders**. This project ended in September 2023, the details of which are covered in last year's Annual Report.*

Surkhet

Shining Hospital, Surkhet (INF Nepal)

- **Medical Charity Fund**

Shining Hospital Surkhet is a rehabilitation centre for people living in Karnali province in western Nepal. The Medical Charity Fund is available for patients who are unable to afford the cost of any type of treatment at the hospital, with a socio-economic assessment available.

Between October 2023 and July 2024, 44 people benefitted from the support of this fund for treatment related to medical conditions such as strokes, spinal cord injuries and cancer.

- **Haematology analyser**

A new haematology analyser was procured for Shining Hospital in 2023, reducing the tests that need to be outsourced to external laboratories – including complete blood count tests which are carried out about 10 times per day. This reduces both the costs for patients and the wait for test results, supporting the work of the hospital's dermatologist and laboratory staff.

Fistula Centre, Surkhet (INF Nepal)

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, Banke (SSS)

SSS provides patient support, advocacy, counselling and fellowship for the most poverty-affected people needing medical treatment at Bheri Zonal Hospital. It also runs a nearby hostel providing accommodation and food for the patients and their caregivers.

This year about 17 people per week received food and about 7 people per week stayed at the hostel. Pastoral care and counselling was provided for about 5 to 7 patients per week.

Community Health

Community Medical Outreach, various districts (INF Nepal)

This three-year project is ensuring that remote communities have access to specialist doctors through a 'camps approach' and is promoting disaster prevention by strengthening local self- help potential and providing additional external help (in the event of a disaster).

Delivered by INF Nepal, the latest project year included seven disability screening camps, two of which specialised in skin and leprosy-related issues, reaching more than 3,500 people living in remote communities across various districts.

Access and Inclusion, Surkhet (INF Nepal)

INF Nepal's work in Surkhet district is not limited to the work of Shining Hospital. This project helps people with disabilities to be able to contribute economically to their families and communities and lead fulfilling lives in the long term.

The second 12 months of this four-year project delivered by INF Nepal impacted 614 people through medical health services, group psycho-social counselling, and support services, as well as assistive devices and the repair and maintenance of mobility aids.

Leprosy Free Communities, Banke (INF Nepal)

With an aim of reducing leprosy cases and improving the health and quality of life for those affected in Banke district, this project drew to a close in June 2024. It also helped reduce the stigma around leprosy, as during this three-year project outreach activities reached 10 schools and 872 students and teachers.

Two screening camps in May and June 2024 identified 4 newly diagnosed cases of leprosy, from almost 350 people in Banke and Bardiya districts.

Resilient Communities

Inclusive Development, Empowerment and Livelihood (IDEAL), Bajura (INF Nepal)

The past year of this project started while communities were recovering from the impact of earthquakes in May 2023, with many households further affected by floods and landslides during monsoon season.

While supporting people to recover from these incidents, the project continued to make a meaningful impact in people's lives: 267 self-help group members are using revolving funds to help start or improve income generating activities; 70 people can now earn money through rearing livestock, grocery shops, and knitting businesses; 107 farmers are generating new income through more sustainable farming practices.

Building Resilience through Empowerment on Adaptability against Disaster Risks and Climate Change (BREAD), Kalikot (INF Nepal)

This new project continues INF Nepal's commitment to people living in the remote western district of Kalikot. It has a focus on improving people's livelihoods by strengthening their resilience and capacity to adapt to climate change and disaster risks.

During the first year, 45 self-help groups were established including people from 1,123 households. They have already developed and implemented 49 action plans, including construction of a wall in a disaster-prone area, water scheme maintenance, improvement of pathways, plantation, and environmental sanitation.

Climate Change Adaptation for Sustainable Livelihoods, Bajura (INF Nepal)

Designed to improve living and income conditions for farmers in Bajura district, as well as strengthening resilience to natural disasters, this 3-year project came to a close in April 2024.

During the final year, 587 more people were supported in new activities or trades to improve income, and 225 people developed more effective and sustainable farming practices.

Another key project achievement was the installation of improved cooking stoves. These more efficient, metallic ovens have many benefits, including reduced firewood consumption and less smoke inside homes to reduce eye irritation and respiratory issues. One beneficiary reported the time saved cooking and cleaning was about an hour and a half each day, which could instead be spent farming or tending the kitchen garden.

Asha: Adolescent-led Resilient Livelihoods, Siraha (SAHAS Nepal)

This year we passed the mid-point of this three-year project empowering 191 teenage girls from marginalised low-caste families to become change-makers and improve living standards for them and their families.

All 191 girls have prepared Family Development Plans and 113 of them have established micro-enterprises according to their interests and market research. Also, 265 farmers have received training relating to organic farming, post-harvest management, and vegetable cultivation practices. A total of 40 farmers are accessing water for farming using the installed solar water irrigation system.

INF UK also supported a **Youth-focused Integrated Vocational Skills Training and Empowerment** project, which ended at the end of July 2023. This one-year project delivered by ACN helped young people from communities in Kaski, Nawalparasi and Parbat districts to become economically active and improve family income. The impact of this project is covered in last year's Annual Report.

Education

Inclusive and Quality Education for Girls, Bajura (SAHAS Nepal)

This project led to a significant rise in children from marginalised families completing a good quality education at 12 schools in rural Bajura, which gives them greater opportunities for the future. A pre-project baseline survey showed a 50% pass rate, which has increased to 92% of students from marginalised families passing their exams.

There were also positive outcomes in increased school enrolment and reduced dropout or absence rates, especially for girls. The project established 36 School Management Committees, Parent Teacher Associations, and Children's Clubs, which have ongoing responsibility for governance, monitoring school activities and performance, and preparing action plans for improving these 12 schools.

School Education Enhancement, East Rukum (UMN)

The pilot year for this project has begun to equip 20 teachers working in remote school in East Rukum district, Eight child clubs and five youth clubs have been established to focus on topics including creating a supportive learning environment at home, ensuring regular school attendance, preventing child marriage, and promoting personal hygiene. As a result, the regular school attendance of children (up to grade 3) has increased by 50%.

Emergency Relief

Monsoon 2023 response, various districts (ACN and INF Nepal)

INF UK supporters made a significant contribution to ACN's response to support people affected by floods and landslides in the districts of Mustang, Dhading, Bardiya, Kailali, Panchthar, Dolakha, Myagdi, Gorkha and Nawalparasi. A total of 717 households were supported with a mixture of food and household emergency supplies, materials for temporary shelters, and blankets to keep them warm in winter.

INF Nepal provided construction materials for 12 homes that were destroyed by a landslide in Bajura district.

Fire response, Mugu (INF Nepal)

A fire that destroyed 26 homes, shops and businesses in September 2023 also caused wider damage affecting other properties and land. INF Nepal's district office in Mugu supported 122 affected people

with clothes, blankets and bedding as part of the local authorities' response to help people before the onset of winter.

Capital projects

Community Service Centre, Pokhara (PCC and ACN)

We remain committed to the plans of ACN and the Pokhara Christian Community to build a new Community Service Centre, which has continued to progress through the design and planning phases. This did not involve any INF UK financial commitment or expenditure this year, we are holding substantial designated funds in our accounts ahead of construction during the years ahead.

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 2023-24 year there were no safeguarding concerns raised.

Financial Activities of the Charity

Summary

During 2023-24, total incoming resources were £731,400 (2023: £798,167). Most of the charity's funds are sourced from private individuals, trusts and churches.

Total expenditure was £846,403 (2023: £939,600).

While expenditure during the year was higher than income, funds were drawn from the Programmes Fund in line with planned expenditure.

Funds

(a) General Fund

Total income on the General Fund was £417,914 (2023: £399,647). 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 £281,690 (2023: £372,638).

While personal giving has held up well during the year, in line with many other charities, 2023-24 has been a very challenging year for fundraising from Trusts and Foundations and income was significantly lower than budgeted. It is anticipated that these challenges will continue in 2024-25.

(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 six 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.

During the current financial year, VWSF income was £31,796 (2023: £25,882). This is entirely consistent with expectations following the charity's strategic decision in 2018. The VWSF balance as at the year-end was £6,620.

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 6.6 months budgeted annual costs for 2024-25.
- 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, and the war in the middle east 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 and will undertake a review of this in 2024-25.

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 £75,496.

- iii. The trustees also designated some of the charity's 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 2024 is as follows:

Unallocated General Funds	£208,781
Designated: Future Growth	£ 75,496
Designated: Programmes	£265,979
Designated: Operating Reserve	£240,000
TOTAL UNRESTRICTED FUNDS	£790,256

(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. 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 2024 was £225,009 (2023: £452,616).

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 held in cash at long-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 six 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 partner is INF/N, there are no voting or appointment rights or any other form of control over it, or by it 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 are given in note 7 to the accounts and any related party transactions are disclosed in note 20 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 in the Middle East. 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 27 January 2025 and signed on their behalf by:

Ian M. Smith

Dr Ian Smith – Chair

International Nepal Fellowship

Reference and administrative details

For the year ended 30 June 2024

Company number	03060972
Charity number	1047178
Registered office and operational address	196 -198 Edward Road Balsall Heath Birmingham B12 9LX
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Deborah Angdembe Vijaya Adhikari Stephen Collins Dr Andrew Cordell Rosemary Hart Professor Andrew Lymer (Treasurer) David McConkey Dr Ian Smith (Chair, appointed 5 October 2024) Michael Thomas (former Chair, resigned 5 October 2024)
	resigned 6 October 2024 appointed 8 June 2024 resigned 6 October 2024 resigned 6 October 2024
Chief executive officer	John Reynolds
Bankers	Bank of Scotland 33 Old Broad Street London EC2N 1HW
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES
Auditors	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 2024 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 2024 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 the provisions available for small entities, in the circumstances set out in note 7 to the financial statements, 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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. 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: 27 January 2025

**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 2024

	Note	Restricted £	Unrestricted £	2024 Total £	2023 Total £
Income from:					
Donations and legacies	3	313,486	397,569	711,055	786,056
Investments	4	-	20,345	20,345	12,111
Total income		<u>313,486</u>	<u>417,914</u>	<u>731,400</u>	<u>798,167</u>
Expenditure on:					
Raising funds		-	158,559	158,559	111,175
Charitable activities		<u>541,093</u>	<u>146,751</u>	<u>687,844</u>	<u>828,425</u>
Total expenditure	6	<u>541,093</u>	<u>305,310</u>	<u>846,403</u>	<u>939,600</u>
Net gains on investments	12	-	7,432	7,432	2,763
Net income / (expenditure) and net movement in funds	7	(227,607)	120,036	(107,571)	(138,670)
Reconciliation of funds:					
Total funds brought forward		<u>452,616</u>	<u>670,220</u>	<u>1,122,836</u>	<u>1,261,506</u>
Total funds carried forward		<u><u>225,009</u></u>	<u><u>790,256</u></u>	<u><u>1,015,265</u></u>	<u><u>1,122,836</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 2024

	Note	£	2024 £	2023 £
Fixed assets				
Tangible assets	11		627	1,453
Investments	12		<u>54,847</u>	<u>47,415</u>
			55,474	48,868
Current assets				
Debtors	13	20,565		42,446
Current asset investments		745,426		1,025,797
Cash at bank and in hand		<u>282,115</u>		<u>153,065</u>
		1,048,106		1,221,308
Liabilities				
Creditors: amounts falling due within 1 year	14	<u>(88,315)</u>		<u>(130,395)</u>
Net current assets			<u>959,791</u>	<u>1,090,913</u>
Total assets less current liabilities			1,015,265	1,139,781
Creditors: amounts falling due after 1 year	15		<u>-</u>	<u>(16,945)</u>
Net assets	17		<u><u>1,015,265</u></u>	<u><u>1,122,836</u></u>
Funds	18			
Restricted funds			225,009	452,616
Unrestricted funds				
Designated funds			581,475	617,812
General funds			<u>208,781</u>	<u>52,408</u>
Total charity funds			<u><u>1,015,265</u></u>	<u><u>1,122,836</u></u>

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 27 January 2025 and signed on their behalf by

Jan M. Smith

Dr Ian Smith - Chair

International Nepal Fellowship

Statement of cash flows

For the year ended 30 June 2024

	2024	2023
	£	£
Cash used in operating activities:		
Net movement in funds	(107,571)	(138,670)
<i>Adjustments for:</i>		
Depreciation charges	826	819
Gains on investments	(7,432)	(2,763)
Investment income	(20,345)	(12,111)
Decrease / (increase) in debtors	21,881	(20,352)
Decrease in creditors	(59,025)	(70,338)
Net cash used in operating activities	(171,666)	(243,415)
Cash flows from investing activities:		
Investment income	20,345	12,111
Net cash provided by investing activities	20,345	12,111
Decrease in cash and cash equivalents in the year	(151,321)	(231,304)
Cash and cash equivalents at the beginning of the year	1,178,862	1,410,166
Cash and cash equivalents at the end of the year	1,027,541	1,178,862
Total cash and cash equivalents comprise:		
Current asset investments	745,426	1,025,797
Cash at bank and in hand	282,115	153,065
Cash and cash equivalents at the end of the year	1,027,541	1,178,862

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 2024

1. Accounting policies

a) Basis of preparation

International Nepal Fellowship is a charitable company limited by guarantee registered in England and Wales. The registered office address is 196-198 Edward Road, Balsall Heath, Birmingham, B12 9LX.

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.

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

1. Accounting policies (continued)

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. As published on the charity's website, up to 15% of all restricted funds are treated as unrestricted as a contribution to support costs including governance, personnel, office, fundraising, and finance functions.

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 direct costs, as follows:

	2024	2023
Raising funds	19%	12%
Charitable activities	81%	88%

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

j) Listed investments

Listed investments traded on a recognised stock exchange are stated at fair value at the reporting date, which is deemed to be their market value. Any gain or loss, whether realised or unrealised, is taken to the Statement of Financial Activities.

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

1. Accounting policies (continued)

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) Current asset investments

Current asset investments consist of cash held on deposit in interest bearing accounts. Such investments are measured at their fair value.

m) 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 one month or less from the date of acquisition or opening of the deposit or similar account.

n) 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.

o) 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.

p) 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.

q) 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.

r) Operating leases

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

s) 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.

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

1. Accounting policies (continued)

s) Accounting estimates and key judgements (continued)

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 depreciation as described in note 1i above.

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2023 Total £
Income from:			
Donations and legacies	398,520	387,536	786,056
Investments	-	12,111	12,111
Total income	398,520	399,647	798,167
Expenditure on:			
Raising funds	-	111,175	111,175
Charitable activities	663,597	164,828	828,425
Total expenditure	663,597	276,003	939,600
Net gains on investments	-	2,763	2,763
Net income / (expenditure) and net movement in funds	(265,077)	126,407	(138,670)

3. Income from donations and legacies

	Restricted £	Unrestricted £	2024 Total £
Donations for partners' programmes and projects	291,782	-	291,782
Volunteer worker support fund	21,704	-	21,704
General donations	-	237,678	237,678
Legacy income	-	159,891	159,891
Total income from donations and legacies	313,486	397,569	711,055

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

3. Income from donations and legacies (continued)

Prior period comparative

	Restricted £	Unrestricted £	2023 Total £
Donations for partners' programmes and projects	350,294	-	350,294
Volunteer worker support fund	25,882	-	25,882
General donations	-	231,243	231,243
Legacy income	<u>22,344</u>	<u>156,293</u>	<u>178,637</u>
Total income from donations and legacies	<u>398,520</u>	<u>387,536</u>	<u>786,056</u>

4. Investment income

	2024 £	2023 £
Bank interest	20,279	12,111
Dividends	<u>66</u>	-
Total income from investments	<u>20,345</u>	<u>12,111</u>

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

5. Government grants

The charitable company receives government grants, defined as funding from the Department for Work and Pensions to fund charitable activities. The total value of such grants in the period ending 31 June 2024 was £10,092 (2023: £nil). There are no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

6. Total expenditure

	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2024 Total £
Grants payable (note 8)	-	413,172	-	-	413,172
Volunteer workers support costs	-	5,394	-	-	5,394
Website, CRM and outsourced services	7,904	-	-	-	7,904
Fundraising expenses	52,716	-	-	-	52,716
Personnel costs (note 9)	46,273	45,148	238,307	-	329,728
Premises and office costs	-	-	15,193	-	15,193
Finance, legal and professional	-	-	8,088	9,720	17,808
Depreciation	-	-	826	-	826
Trustee expenses	-	-	-	3,704	3,704
Exchange gains	-	-	(42)	-	(42)
Sub-total	106,893	463,714	262,372	13,424	846,403
Allocation of support and governance costs	51,666	224,130	(262,372)	(13,424)	-
Total expenditure	158,559	687,844	-	-	846,403

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

6. Total expenditure (continued)

Prior period comparative

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

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

7. Net movement in funds

This is stated after charging:

	2024	2023
	£	£
Depreciation	826	819
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	3,704	3,581
Auditors' remuneration:		
▪ Statutory audit (excluding VAT)	<u>8,100</u>	<u>7,850</u>

Trustees' reimbursed expenses relate to travel expenses incurred by 4 trustees (2023: 4 trustees).

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

8. Grants payable to partners

	2024	2023
	£	£
INF Nepal	295,771	298,704
Asal Chhimekee Nepal (ACN)	30,517	83,245
Group of Helping Hands (SAHAS) Nepal	39,580	158,278
Sarwangin Sewa Samaj	8,600	5,000
United Mission to Nepal	45,000	-
Grants < £5k	<u>442</u>	<u>4,412</u>
Total grants committed in the period	419,910	549,639
Grants written back from prior periods	<u>(6,738)</u>	<u>-</u>
Total grant expenditure	<u>413,172</u>	<u>549,639</u>

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

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

9. Staff costs and numbers

Staff costs were as follows:

	2024	2023
	£	£
Salaries and wages	260,501	239,638
Social security costs	20,799	18,701
Pension costs	25,452	26,452
Courses, travel and other	22,976	7,648
	<u>329,728</u>	<u>292,439</u>

Included in salaries and wages are redundancy and termination costs totalling £2,704. Redundancy and termination costs have been funded from unrestricted general funds (note 18).

No employee earned more than £60,000 during the year (2023: 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 £68,853 (2023: £62,125).

	2024	2023
	No.	No.
Average head count	<u>7.25</u>	<u>8.08</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 £
Cost	
At 1 July 2023 and 30 June 2024	<u>5,832</u>
Depreciation	
At 1 July 2023	4,379
Charge for the year	<u>826</u>
At 30 June 2024	<u>5,205</u>
Net book value	
At 30 June 2024	<u>627</u>
At 30 June 2023	<u>1,453</u>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

12. Investments

	2024	2023
	£	£
Market value at 1 July	47,415	44,652
Unrealised gains	<u>7,432</u>	<u>2,763</u>
Market value at 30 June	<u>54,847</u>	<u>47,415</u>

13. Debtors

	2024	2023
	£	£
Gift aid receivable	6,298	9,206
Prepayments	9,437	7,214
Accrued income	<u>4,830</u>	<u>26,026</u>
	<u>20,565</u>	<u>42,446</u>

14. Creditors: amounts falling due within 1 year

	2024	2023
	£	£
Grant commitments (note 16)	54,253	103,809
Accruals	29,194	21,995
Other taxation and social security	<u>4,868</u>	<u>4,591</u>
	<u>88,315</u>	<u>130,395</u>

15. Creditors: amounts falling due after 1 year

	2024	2023
	£	£
Grant commitments (note 16)	<u>-</u>	<u>16,945</u>

16. Grants commitments

	2024	2023
	£	£
Grant commitments brought forward	120,754	173,198
Grants committed during the period (note 8)	419,910	549,639
Grants written back in the period (note 8)	(6,738)	-
Grants paid during the period	<u>(479,673)</u>	<u>(602,083)</u>
Grant commitments carried forward	<u>54,253</u>	<u>120,754</u>

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

17. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	627	627
Investments	-	54,847	-	54,847
Net current assets	225,009	526,628	208,154	959,791
Net assets at 30 June 2024	225,009	581,475	208,781	1,015,265
Prior period comparative	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	1,453	1,453
Investments	-	47,415	-	47,415
Net current assets	452,616	570,397	67,900	1,090,913
Creditors: due after 1 year	-	-	(16,945)	(16,945)
Net assets at 30 June 2023	452,616	617,812	52,408	1,122,836

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

18. Movements in funds

	At 1 July 2023 £	Income £	Expenditure £	Gains / (losses) on investments £	Transfers between funds £	At 30 June 2024 £
Restricted funds						
<i>Partners' programmes and projects:</i>						
INF Nepal programmes & disaster relief	341,485	281,690	(446,881)	-	635	176,929
Gordon Leitch memorial fund	29,316	-	-	-	-	29,316
Chhahari School	442	-	-	-	(442)	-
KISC	193	-	-	-	(193)	-
Volunteer workers support fund	69,036	31,796	(94,212)	-	-	6,620
Welfare fund for volunteer workers	12,144	-	-	-	-	12,144
Total restricted funds	452,616	313,486	(541,093)	-	-	225,009
Unrestricted funds						
<i>Designated funds:</i>						
Operating reserve	240,000	-	-	-	-	240,000
Nepal programmes	265,979	-	-	-	-	265,979
Investment in growth	111,833	-	(36,337)	-	-	75,496
<i>Total designated funds</i>	617,812	-	(36,337)	-	-	581,475
General funds	52,408	417,914	(268,973)	7,432	-	208,781
Total unrestricted funds	670,220	417,914	(305,310)	7,432	-	790,256
Total funds	1,122,836	731,400	(846,403)	7,432	-	1,015,265

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

18. Movements in funds (continued)

Prior period comparative

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

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

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 grew 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 2024/25.

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 2023/24 relates to external fundraising costs.

Transfers between funds

Transfers between funds relate to the repurposing of historical restricted funds to the main INF Nepal programmes & disaster relief fund.

International Nepal Fellowship

Notes to the financial statements

For the year ended 30 June 2024

19. Operating lease commitments

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

	2024	2023
	£	£
Amount falling due: Within 1 year	<u>1,725</u>	<u>1,800</u>

20. Related party transactions

There were no related party transactions during the year (2023: none).

21. Financial instruments at fair value

	2024	2023
	£	£
Financial assets measured at fair value	<u>54,847</u>	<u>47,415</u>

Financial assets measured at fair value comprise listed investments.