



Faith Welfare Trust

Annual Report 2020-21

FAITH WELFARE TRUST

THE OLD VICARAGE ♦ ACKLINGTON ♦ NORTHUMBERLAND ♦ NE65 9BL

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Registered Charity number 327557

Faith Welfare Trust

Annual Report for year ending September 30, 2021

Introduction

Faith Welfare Trust (FWT) is constituted by Trust Deed, established in 1987. The objects of the charity are: to promote the welfare of disadvantaged and/or destitute children and young people in the area of benefit (India); and to support disadvantaged children and young people in the area of benefit in their education and training. To fulfill these objects, it provides support to 2 homes (one for girls, one for boys) for deprived children near Chennai, South India, and Faith School in Rajahmundry (also known as Rajahmahendravaram), Andhra Pradesh state, India, 350 miles to the North.

The trustees have regard to both the Charity Commission's general guidance on public benefit and prevention and relief of poverty for the public benefit. FWT's work is in accordance with both these guidelines and the main objects set out in the trust deed.

Governance

The Trustees of FWT for the year 2020-21 comprised:

Brian Tugwell, Elsie Tugwell, Alistair Coomer, Chris Sayers, Tessa Sayers, John Fisher, Rachel Fisher, Helen Midda, Joanne Hutchison, April Butterworth, David Shipley (Treasurer, from April 21).

Tessa Sayers is the chair of trustees and she and Chris Sayers have the role of "managing trustees". They arrange the twice-yearly trustee meetings and oversee the financial affairs of the charity and contact with supporters, both to acknowledge donations and for information, though much of this work is carried out by other trustees (see below). To date they have kept financial records, ensured that Gift Aid is claimed and prepared the annual accounts for the independent examiner, though these tasks will be carried out by the Treasurer in future. They carry out the annual return for the Charity Commission.

The newly elected treasurer, David Shipley, has taken over management of the charity's financial affairs and record keeping, including Gift Aid claims and preparing the accounts for the independent examiner. He has been added as a signatory to the bank account. His experience working with similar charities in the past and his competence and thoroughness in handling charity finances will be a huge asset to the board.

John and Rachel Fisher prepare the once or twice-yearly newsletter to supporters which includes significant events occurring at the projects supported by FWT, the impact of work done at the projects on some of the beneficiaries of the projects and articles giving relevant background information. They manage the FWT website and update FWT's FaceBook account with regular posts.

Brian and Elsie Tugwell play a major role in liaising with the charity's projects in India as they are based in India for several months each year, although in 20-21 they weren't able to visit due to the coronavirus pandemic. Normally, they attend the meetings of Nambikkai Illam Trust whenever possible and are in regular contact with the staff at the children's homes and Faith School. They keep the other trustees informed of any changes or developments.

Helen Midda's experience and qualifications as a school teacher and her first-hand knowledge of the children's homes and school in India make her advice very relevant to the operation of FWT.

Alistair Coomer has been on the board of trustees from the charity's inception and this long-term view, together with financial and managerial experience, is very beneficial to the governance of FWT.

Joanne Hutchison has visited the children's homes and Faith school. She (with David) ensures that online gifts are individually acknowledged and she contributes to the FaceBook page. As a person living with a disability she brings an additional very valuable perspective to board discussions.

April Butterworth has experience working with and supporting children and families with mental health problems (especially autism). She visited the homes in December 2019. Her knowledge of how the homes operate and supporting young people with mental health issues make her advice very valuable to the board.

The trustees meet twice a year (spring and autumn). Due to their geographical dispersal in the UK, it is not always practical to meet in person and all meetings in 20-21 were conducted over Zoom. Correspondence is conducted by WhatsApp and email on relevant matters arising between meetings, to inform and consult with trustees. When vacancies on the board of trustees arise or when there is an opportunity to recruit a valuable new board member, potential new trustees are invited by the existing board. The trust deed does not specify the maximum number of trustees.

Each year, some trustees usually visit the school and homes in India to see for themselves how things are and make contact with the staff and trustees of the Nambikkai Illam Trust (NIT), the Indian charity that manages the homes and school. In the year from Oct 2020 to Sept 2021, travel restrictions related to the pandemic prevented any trustees from visiting India. Contact with trustees and staff at the homes and school was all by phone and via email and WhatsApp.

None of the Trustees received any remuneration for their services.

The homes are managed locally by the trustees of the Nambikkai Illam Trust (NIT), based in Chennai, who normally meet approximately every 2 months to deal with strategic and practical issues as they arise, although the pandemic prevented this in 2020-21. The chair of trustees is R Prabakaran, a lawyer, who has been on the board of trustees for over 20 years. He was unwell for a large part of this year but is now much recovered. The other trustees in 2020-21 comprised Dr Esther (a GP), Dr Livingstone (retired teacher at Madras Christian College) and Mrs Sunithy Jeyakaran (runs a local old people's home). NIT holds a bank account at ICICI bank to which FWT sends funds as necessary to meet the costs of the homes and Faith School. To comply with new government regulations, an account was set up with the State Bank of India in Delhi for the receipt of foreign funds, which are then transferred to the usual ICICI account. Minutes of their meetings are sent to FWT trustees as well as copies of their bank statements and their audited accounts. The wardens of the homes send a monthly breakdown of income and expenditure to both NIT trustees and FWT trustees as well as regular summaries of what has been happening at the homes.

Faith School is managed locally by Dr Samuel Moses and his wife Kamala. The school's management and finance arrangements are overseen by trustees of Nambikkai Illam Trust who arrange for appropriate funds to be sent from the main Nambikkai Illam bank account to the school to pay staff salaries, food for lunches and other overheads.

Nambikkai Illam Children's Homes

FWT supports 2 children's homes near Sriperumbudur, just outside Chennai, Tamil Nadu State, South India. The accommodation comprises:

- Junior and Senior Boys Home at Vengadu village
- Junior and Senior Girls Home at Navalur village

The two homes are less than a mile apart. As schools were closed and the government had mandated that children living in children's homes should return to their natural family if at all possible, there were no children at the homes in September 2020 (since April 2020). In January and February the older children returned to the homes as schools reopened for the senior 4 year groups but they were soon closed again as cases rose. Children began to return to the homes in August 2021 for school in September. Hygiene measures were put in place and the homes passed an inspection by the Child Welfare committee. Several of the children had finished their public exams during the lockdown and didn't return to the homes in autumn, so numbers were down from 38 pre lockdown to 34 in autumn 2021, of whom most had been with Nambikkai Illam before the pandemic.

The children normally attend the local primary school in Vengadu village and secondary schools in Sriperumbudur, where they are taken by bus each day. The older children are found appropriate further education or training if they wish to continue their education beyond school age and, where appropriate, continue to live at the homes. Two boys continued to stay with us whilst studying for higher qualifications and 2 girls continued to be supported in their nursing studies in Vellore.

In July, when the children were away from Nambikkai Illam with their relations, Chandra and Sumathi visited all families, travelling long distances, to give them food, educational materials and some financial support, as well as to see the children and check on their wellbeing.

Ruth and Chandrika continued as warden and assistant warden for the girls' home. Chandra Rao is warden of the boys' home and also overall manager, helped by his wife Sumathi who is assistant warden. Chandra and Sumathi have held these posts for around 15 years and in 2021 Chandra gained a masters degree in social work.

Members of the Church of God in Pernampet normally assist with the spiritual development of the children and visit the Homes regularly. A Sunday service for all the children is held most weeks at the homes or church hall in Navalur. In addition, other Christian activities take place from time to time, such as a weekend "camp" run at the homes by a local Scripture Union group, which is much enjoyed by the children. When FWT trustees visit the homes they also help with talks, activities and singing. Because of the pandemic, none of these activities have taken place in 20-21.

SIPCOT, the development agency, had informed NIT in April 2015 that they would require a plot of land adjacent to the boys' home where the boys currently have small gardens. As last year, there has still been no activity by SIPCOT on this plot of land in the current year and it now seems that the land will not be required. As ever, the situation is being monitored closely, particularly by Mr Prabakaran, the chair of NIT trustees, in order to get maximum notice of any new developments.

Faith School, Rajahmundry

The Faith Public School opened at the start of the academic year in June 2004, with the aim of providing a free English medium education for poorer students who would not otherwise be able to afford to go to school. Those who can afford it pay the normal fee but they are a small minority. Faith School's classes range from lower kindergarten to 7th standard, providing a high standard of education for children from the ages of 4 (lower kindergarten) to 13 (7th standard). All pupils are provided with a nutritious free lunch every day. The children are mainly from Hindu families, with some Muslim children also attending. They receive some Christian teaching and singing at their assembly every day and the ethos of the school is generally Christian.

This year has been severely affected by the coronavirus pandemic and in October 2020 the school was still closed, by order of the government. Online teaching was provided by staff where possible and there was a distribution of food stuffs to help the families of school students. The school began to reopen in December 2020 and was taking all classes from the beginning of February 2021 but on 20th April 2021 the school had to close its doors again and return to online teaching. In August 2021 schools were allowed to reopen and Faith School resumed with 100 children initially, rising to 200 by October 2021, taking all hygiene precautions such as mask wearing, regular hand sanitising and disinfecting. They passed a government hygiene inspection

Fund raising

The vast majority of FWT's funds continues to be raised through standing orders from individual supporters and one-off donations by individuals (or legacies) and collections from various churches in the United Kingdom and North America, together with boxes in shops, stalls at fetes, sponsored walks and the like. All one-off donations are acknowledged with a personal letter of thanks. Supporters worldwide receive one or two copies of the FWT newsletter each year to keep them updated about events at the homes and school, including case studies and more general articles. There is also a website and a Facebook page which are updated regularly with news of activities at Faith School and Nambikkai Illam homes. Online donations are collected using GoldenGiving which has comprised an increasing share of the income. FWT does not operate any individual child sponsorship scheme.

Over the year from October 2020 to September 2021, income was £176,204, of which £6838 was a gift aid payment from HMRC, £326 was bank interest and £40328 the balance of a legacy. Outgoings were £55,292, of which £55,000 went directly to India to fund the school and homes and the remainder was spent on administrative costs.

Funds in FWT bank accounts at the end of the financial year 2020-21 total £194,466.

Locally, the children's homes have been attracting increasing amounts of support from individuals and businesses – money, gifts (informed by a list of needs

compiled by the manager – for example kitchen equipment, sports equipment), treats for the children (for example a trip to a local hotel for a Christmas celebration) or labour (for example, local hotel employees helped to tidy up the compound garden). These are encouraged and greatly appreciated by NIT and FWT trustees.

Reserves

The policy of the Trustees is to hold adequate reserves of funds to ensure that standing commitments to support the trust's projects can be met for at least a year. This extended period is because if it were decided to stop funding the homes or school, alternatives would have to be found for all the children currently supported and this could not be done quickly.

It is important that a regular flow of funds to the projects is maintained as a high proportion of the disbursed funds go towards food, salaries, clothing and medical costs. After consideration, trustees decided that reserves sufficient to fund the homes and school in India for a year should be held. If FWT were unable to continue raising funds, this would allow alternative accommodation/schooling to be found for our beneficiaries or alternative funding to be sought. A shorter period would risk leaving vulnerable children without suitable homes or education. The agreed amount was £60,000.

This reserve can also act as a contingency fund against major disasters, as the region around the Nambikkai Illam children's homes has been subject to earthquakes on more than one occasion. There is also a risk of damage during the monsoons, which occur each year. While insurances are maintained, in the event of a natural disaster it would be many months before the homes could be repaired and re-built, so it is deemed prudent to retain a reserve against this eventuality.

In addition, no written guarantee has yet been received from SIPCOT that they will not require some or all of the land currently occupied by the boys' home, although nothing has been heard from them for some years. It is therefore prudent to keep reserves to at least cushion that eventuality until such a guarantee can be obtained.

The current balance is substantially higher than the reserve amount, which enables longer term plans to be made for the work in India and protects against exchange rate fluctuation. Indian regulations for charities that receive foreign contributions mean that money sent to India has to match very closely with their ongoing expenditure or risks being taxed, so the reserves are held in the UK. Trustees are mindful that money held should be spent appropriately according to FWT's charitable objects.

Future Developments

The events of 2021 continued to be strongly influenced by the worldwide Covid-19 pandemic, though by the end of September 2021 the severe disruption was lessening and there was a return to normal operations in both school and homes. The longer lasting effects will continue to be felt for some time and the experience may make Indian staff and trustees consider alternative ways to help vulnerable children, particularly in the homes. Trustees plan to carry out the following development of FWT's work:

- Encourage trustees in India to consider alternative models of support which may enable children to remain with their families – particularly in the light of

recommendations by a national body that children's homes in Tamil Nadu be closed.

- Monitor the effectiveness of the Board of trustees of Nambikkai Illam Trust and the advisory committee at Faith School and recommend courses of action to improve, if appropriate.
- Continue to strengthen online information and giving which is an increasingly important part of FWT's work with supporters, widening the demographic of the people who can be reached with news of our work.

Declaration

The trustees declare that they have approved the FWT annual report above.

Signed on behalf of the Trustees:

Signature		
Full name	Tessa Sayers	Chris Sayers
Position	Chair of trustees	Trustee
Date	10 July 2022	2

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

For

FAITH WELFARE TRUST

FAITH WELFARE TRUST

GENERAL INFORMATION
for the Year Ended 30 September 2021

ADDRESS: 18 Field House Close
Acklington
Morpeth
NE65 9PE

ACCOUNTANTS: 60 North Accounts Ltd
Hillside Cottage
Voe
Shetland
ZE2 9PT

NOTES:

1. These accounts have been prepared on a receipts and payments basis in accordance with the SORP 2015 Accounting and Reporting by Charities and the Charities Act 2011.
2. All funds received from donors are unrestricted.

FAITH WELFARE TRUST

Independent Examiner's Report to the trustees of Faith Welfare Trust

I report on the accounts of the charity for the year ended 30 September 2021, which are set out on pages 2 and 3.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required this year under S144 (2) of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility to:

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

Basis of independent examiner's report

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

Independent examiner's statement

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

1. Which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Act; and
- to prepare accounts in accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met;

or

2. To which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Rosalind Nicol

R Nicol ACCA

Independent Examiner

27-Jun

2022

60 North Accounts Ltd

Hillside Cottage

Voe

Shetland

ZE2 9PT

FAITH WELFARE TRUST

**RECEIPTS AND PAYMENTS ACCOUNT
for the Year Ended 30 September 2021**

GENERAL FUND	2021	2020
<i>Income Receipts:</i>		
From Voluntary Sources		
Legacy	107328	0
Donations	35552	20988
Donations under Gift Aid	26160	22099
Gift Aid: Tax Claims	6839	5681
From Assets:		
Deposit Interest	326	671
<i>TOTAL RECEIPTS</i>	176205	49439
<i>Payments:</i>		
Charitable Activity Direct Expenditure		
Transfers to Nambikkai Illam Trust	55000	53400
Management and Administration		
Telephone, Fax, Postage & Stationery	192	106
Travel	0	0
Accountancy	75	150
Bank Charges	25	50
<i>TOTAL PAYMENTS</i>	55292	53706
Net Receipts (Payments)	120912	-4267
Bank Deposit and Current Account Balances at 30 September 2020	73555	77821
Bank Deposit and Current Account Balances at 30 September 2021	194467	73555

FAITH WELFARE TRUST

STATEMENT OF ASSETS AND LIABILITIES

As at 30 September 2021

MONETARY ASSETS:	2021	2020
Bank Current Account	76249	1684
Bank Deposits	118218	71871
	<u>194467</u>	<u>73555</u>
DEBTOR: Tax on gift aid	<u>9298</u>	<u>6839</u>
TOTAL CURRENT ASSETS	<u><u>203765</u></u>	<u><u>80393</u></u>

LIABILITIES:

Accountancy	75	75
Other expenses	<u>0</u>	<u>0</u>
	<u><u>75</u></u>	<u><u>75</u></u>

The statement of accounts are approved by the Board of Trustees

)	Chris Sayers
)	
)	Trustees
)	
)	David Shipley

Dated: 2022

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FOR THE YEAR ENDED 30 SEPTEMBER 2021

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