

CHARITY REGISTRATION NUMBER: 1154809

Indus Health Network

Unaudited Financial Statements

31 March 2020

Indus Health Network

Financial Statements

Year ended 31 March 2020

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Indus Health Network

Trustees' Annual Report

Year ended 31 March 2020

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the Charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

Reference and administrative details

Registered charity name	Indus Health Network
Charity registration number	1154809
Principal office	7 Bradman House, Abercorn Place St Johns Wood London NW8 9XY

The trustees

Dr. Mateen Durrani	Trustee
Mr. Tahir Ali	Trustee
Mr. Mukarram Sattar	Trustee
Mr. Anwar Zaidi	Trustee
Mr. Siraj Dadabhoy	Trustee

Independent examiner

Arif Malida
Chartered Accountants
66 Moyser Road
London
SW16 6SQ

Indus Health Network

Trustees' Annual Report

Year ended 31 March 2020

OBJECTIVES, AIMS & ACTIVITIES FOR THE PUBLIC BENEFIT

- **OBJECTIVES AND ACTIVITIES**

The objective of the Charity is to provide financial support to meet the medical needs of the general public who are unable to meet the cost of good quality health care. This is currently targeted across the 42 districts of Pakistan both in primary and the secondary care sector, via the Indus Health Network Pakistan. It also aims to provide medical assistance at times of natural and other kinds of disasters in the form of; setting up hospitals, clinics, vaccination centres and such other medical centres.

The appeal and collection of funds in order to make grants (grant making) and charitable donations for the benefit of the health network, the trustees have reviewed the guidance issued by the Charity Commission regarding public benefit and confirm that the charity objectives and activities are within the public benefit remit.

- **GRANT MAKING POLICIES**

The Charity has established its grant making policy with a view to directing funds for the public benefit. Only those individuals and institutions whose applications for grant making meet the eligibility criteria, as set out within the Charity Commission for England and Wales, are entertained. This would include grants to overseas organizations that have charitable or not-for-profit status in their location of operation or to individuals considered in need of charitable donations as outlined in the Objectives.

The Charity receives grant applications directly which are reviewed by the Trustees on a case by case basis. The Charity assesses the movement in grants year on year and aims to ensure that grants are maintained on a consistent basis every year based on the Charity's cash flow.

For the current year, all grants were directed towards the Indus Health Network in Pakistan only.

- **STRUCTURE, GOVERNANCE & MANAGEMENT**

IHN has 5 trustees (listed earlier in the report) who oversee all the activities of the Charity. It has established a framework to manage all donations as per its Trust Deed.

During the course of the year under review, two consultants were engaged for event management, maintenance of records, compliance on all regulatory matters including GDPR and general administration. Events such as gatherings for fund raising were held but post February 2020, such events were shelved due to the Covid 19 Pandemic. While in the normal course, volunteers from around the UK had assisted in holding community meetings / events to promote the cause of IHN, this was also held back from February 2020 onwards due to the Pandemic.

Regular meetings of the Trustees continued to be held. With the Lockdown from March 2020, virtual meetings were held via Zoom to revisit strategies to be deployed for raising awareness of IHN UK and raising donations via means other than physical gatherings. The meetings also looked at revision of targets, monitoring performance, overseeing compliance, approving policies and giving guidance on other initiatives.

Indus Health Network

Trustees' Annual Report

Year ended 31 March 2020

- **GOVERNING DOCUMENT & HOW THE CHARITY IS CONSTITUTED**

The Charity was formed as a trust under a Trust Deed dated 18 Nov 2013 as amended by Deed dated 4 Feb 2018. The Charitable Trust constituted by this Deed and its property (the Trust fund) shall be administered and managed by the Trustees under the name of Indus Health Network or by such other name as the Trustees shall from time to time decide with the approval of the Charity Commission for England and Wales (the Commission).

- **TRUSTEE SELECTION METHODS & INDUCTION / TRAINING**

Structure & Management

The Charity operations are overseen by the Trustees with 2 consultants involved in donation review and administration. Management decisions are consulted between the Trustees and final approval is made collectively.

Public Benefit

The Trustees have referred to the Charities Commission's guidance on Public Benefit, including the guidance 'Public benefit: running a Charity (PB2)', and confirm that the charitable activities are undertaken for public benefit.

- **RISK MANAGEMENT**

The Charity has a risk management strategy which comprises:

- An annual review of potential risks;
- The establishment of systems and procedures to mitigate those risks identified and
- The implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

These measures have allowed the Trustees to consider the risks facing the Charity and believe exposure to be minimal. The Trustees' believe that this approach to risk management is effective.

- **FINANCIAL REVIEW AND ACHIEVEMENTS & PERFORMANCE**

For the year ending 31 March 2020 total donations incoming were £823,832 (2019: £748,191). This is an increase of 10% in income year on year.

The gradual growth in donation income over the last 3 years has allowed the Charity to develop its grants and Zakat programme. The net income has and will be used to fund the future grants programme for the Charity. The Trustees are satisfied that this will allow future grants to be maintained.

Indus Health Network

Trustees' Annual Report

Year ended 31 March 2020

ACTIVITIES AND ACHIEVEMENTS:

Donations raised during the year amounted to £823,832 made up of £471,116 unrestricted income including gift aid and £352,716 restricted funds (comprised of Zakat: £ 255,340, Sadaqah: £ 95,674, Fidyah: £ 750 and Fitrana: £ 51).

This growth has been on the back of actively raising awareness within the UK of the deployment of donations towards providing quality health care. The Charity undertook events in London, Birmingham, Manchester and several other key locations. With a particular focus on Zakat collections, a campaign was launched on various TV channels during the month of Ramadhan. The Ramadhan campaigns have been successful and we expect an increase in donations for the following year.

Expenses during the year totalled £630,961 (2019: £660,216). These included grants paid to and on behalf of the Indus Health Network - Pakistan totalling £ 478,000 (2019: £ 542,290), fundraising costs £78,109 (2019: £ 84,806) and administrative expenses £ 74,852 (2019: £ 33,120)

The administrative expenses comprises of fees paid to consultants who were engaged to create market awareness as well as to manage the various events held. The year on year increase is due to the full accounting period these consultants have engaged with Indus Health Network. These consultants' remuneration is fixed based on time and services only.

Bank charges were higher at £8,319 (2019: £4,050) by virtue of increased collections which were channelled via online PayPal and other related funds transfer charges. Post year end we have made arrangements with other donation providers and expect bank charges to reduce for the following year.

Bank balances for the year end was a healthy £230,447 (2019: £196,080) which is sufficient to meet the Charity's ongoing operations for the next year.

The Trustees are satisfied that the efforts expended towards raising its awareness is paying dividends. The contributions of the entire team, volunteers and others who mean well for the Charity are duly recognized by the Trustees.

• PLANS FOR FUTURE PERIODS

A decision was taken by the Trustees, after consultation with specialists, to convert the structure from being a charity trust to a CIO (Charitable Incorporated Organization). There are a number of benefits to be had from becoming a CIO. For unincorporated charities, a big motivation for making the change is limited-liability protection. Trustees at unincorporated charities are liable if the charity collapses and might have to cover any losses greater than the charity's assets. At a CIO, trustees are protected from this outcome. A specialist was engaged for this initiative throughout the second half of 2020. We now expect the charity to incorporate its operations into a CIO in first half of 2021 in line with expectations.

Indus Health Network

Trustees' Annual Report

Year ended 31 March 2020

Other plans in the pipeline for 2020 for expanding the donor base could not be initiated to the extent planned due to restrictions imposed by the authorities to control the Pandemic.

The current uncertainty surrounding the continued increase in Covid 19 infections and its ramifications on society will be a limiting factor on any initiatives that IHN UK takes during 2020-21. The attempt will be to ramp up the use of social media, offer virtual talks on topical issues by distinguished speakers to raise awareness and continue with the annual Ramzan campaign for fund raising. The charity has not experienced any current impact on donations due to Covid and expects FY 2021 donations to be slightly higher than the current year.

RESERVES POLICY

The Trustees are satisfied with the current level of reserves of £388,951 (2019: £196,080) comprised unrestricted reserves of £ 345,377 (2019: £ 109,270) and restricted reserves of £ 43,574 (2019: £ 86,810).

The Charity considers its free reserves as adequate to meet the cash outflow for the next 12 months.

MONITORING ACHIEVEMENT

The Charity achieves its objectives through providing funds for its grants programme. As part of the ongoing oversight of the Charity by the Trustees, a review is made of the grants paid to individuals and institutions to ensure that the grants are paid in accordance with its objectives. The Charity ensures to maintain the value of its grants programme.

TRUSTEES REMUNERATION

No Trustees have received any remuneration for the year ending 31 March 2020. (2019: NIL)

INDEPENDENT EXAMINER

Arif Malida have been appointed as independent examiner for the ensuing year.

Indus Health Network

Trustees' Annual Report

Year ended 31 March 2020

TRUSTEES' RESPONSIBILITIES

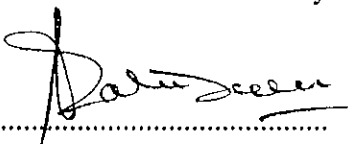
The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They 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.

Signed on behalf of the Trustees on 28 January 2021


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Dr Mateen Durrani

Trustee

Indus Health Network

Independent Examiner's Report to the Trustees of Indus Health Network

Year ended 31 March 2020

I report to the trustees on my examination of the financial statements of Indus Health Network ('the charity') for the year ended 31 March 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Reporting Independent Examiner

Arif Malida
Chartered Accountants
66 Moyser Road
London
SW16 6SQ

Indus Health Network

Statement of Financial Activities

Year ended 31 March 2020

		Unrestricted funds £	2020 Restricted funds £	Total funds £	2019 Total funds £
	Note				
Income and endowments					
Donations and legacies	4	471,116	352,716	823,832	748,191
Total income		<u>471,116</u>	<u>352,716</u>	<u>823,832</u>	<u>748,191</u>
Resources Expenditure					
Cost of Generating Funds	5	78,109	---	78,109	86,451
Expenditure on charitable activities	6	276,714	276,138	552,852	573,765
Total Resources expenditure		<u>354,823</u>	<u>276,138</u>	<u>630,961</u>	<u>660,216</u>
Net expenditure and net movement in funds		<u>116,293</u>	<u>76,578</u>	<u>192,871</u>	<u>87,975</u>
Reconciliation of funds					
Total funds brought forward		109,270	86,810	196,080	108,105
Transfer between funds					
Zakat Allocations		119,814	(119,814)	---	---
Total funds carried forward		<u>345,377</u>	<u>43,574</u>	<u>388,951</u>	<u>196,080</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 10 to 15 form part of these financial statements.

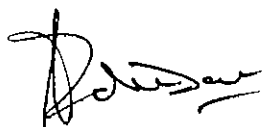
Indus Health Network

Statement of Financial Position

31 March 2020

	Note	2020 £	2019 £
Current assets			
Debtors (Gift Aid)		168,694	---
Cash at bank and in hand		230,447	196,080
Total Current Assets		399,141	196,080
Creditors: amounts falling due within one year			
Creditors		2,107	---
Accruals		8,083	---
Total Creditors: amounts falling due within one year		10,190	---
Net current assets		388,951	196,080
Total assets less current liabilities		388,951	196,080
Funds of the charity			
Restricted funds		43,574	86,810
Unrestricted funds		345,377	109,270
Total charity funds		388,951	196,080

These financial statements were approved by the board of trustees and authorised for issue on 28 January 2021, and are signed on behalf of the board by:



Dr Mateen Durrani
Trustee

The notes on pages 10 to 15 form part of these financial statements.

Indus Health Network

Notes to the Financial statements

31 March 2020

1. General information

The charity is a public benefit entity and a registered unincorporated charitable trust in England and Wales. The address of the principal office is 7 Bradman House, Abercorn Place, St Johns Wood, London NW8 9XY.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities where required by law.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and as a minimum the expected level of income and expenditure for the period of twelve months from the date of authorising these financial statements. The continued income and expenditure are sufficient with the level of reserves for the charity to be able to continue as a going concern.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable, and its amount can be measured reliably.
- legacy income is recognised when receipt is probable, and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted

Indus Health Network

Notes to the Financial statements

31 March 2020

service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Indus Health Network

Notes to the Financial statements

31 March 2020

Financial instruments cont...

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Donations			
General Donations	471,116	-	568,491
Zakat Donations	-	255,341	255,341
Sadaqah Donations	-	96,574	-
Fidyah Donations	-	750	-
Fitrana Donations	-	51	-
	<u>471,116</u>	<u>352,716</u>	<u>823,832</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations	661,161	-	661,161
Zakat Donations	-	87,030	87,030
	<u>661,161</u>	<u>87,030</u>	<u>748,191</u>

5. Cost of Generating Funds:

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Events / Catering	41,539	-	41,539
Advertising / Promotional	36,569	-	36,569
Total cost of generating funds	<u>78,109</u>	<u>-</u>	<u>78,109</u>

6. Charitable Activities:

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Grant making	205,424	272,576	478,000
Governance Costs	71,290	3,562	74,852
Total cost of charitable activities	<u>276,714</u>	<u>276,138</u>	<u>552,852</u>

Indus Health Network

Notes to the Financial statements

31 March 2020

7. EXPENDITURE ANALYSIS

		Cost of generating funds	Charitable activities			
			General Activities	Governanc e costs	2020 Total	2019 Total
		£	£	£	£	£
Cost of generating funds	Direct	78,109	-	-	78,109	86,451
Grant Making	Direct	-	478,000	-	478,000	542,290
Bank charges	Support	-	-	8,319	8,319	4,050
Consultancy Fees	Support	-	-	38,051	38,051	21,693
General Administrative expenses	Support	-	-	21,943	21,943	2,609
Rates and Taxes	Support	-	-	-	-	1,345
Subscriptions	Support	-	-	58	58	1,065
Printing, Postage and Stationery	Support	-	-	481	481	250
Bookkeeping fees	Support	-	-	6,000	6,000	100
Travel and Accommodation	Support	-	-	-	-	363
Total expenditure 2020		78,109	478,000	74,852	630,961	660,216
Total expenditure 2019		86,451	542,290	31,475		660,216

Indus Health Network

Notes to the Financial statements

31 March 2020

8. Analysis of charitable funds

Unrestricted funds

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
General funds	109,270	471,116	(354,823)	225,563
Transfer between funds - Zakat	---	119,814	---	119,814
Unrestricted funds carry forward	<u>109,270</u>	<u>590,930</u>	<u>(354,823)</u>	<u>345,377</u>

Restricted funds

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
Restricted Fund - Zakat	86,810	255,341	(178,786)	163,365
Transfer between funds - Zakat	0	(119,814)	0	(119,814)
Restricted Fund - Zakat carry forward	<u>86,810</u>	<u>135,527</u>	<u>(178,786)</u>	<u>43,551</u>
Restricted Fund - Sadaqah	---	96,574	(96,551)	23
Restricted Fund - Fidyah	---	750	(750)	---
Restricted Fund - Fitrana	---	51	(51)	---
Restricted funds carry forward	<u>86,810</u>	<u>232,902</u>	<u>(276,138)</u>	<u>43,574</u>

9. Analysis of cash and cash equivalents

	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	<u>196,080</u>	<u>34,367</u>	<u>230,447</u>

10. Fund balance at 31 March 2020 are represented by

	Unrestricted fund £	Restricted fund £	Total funds 2020 £
Debtors	168,694		168,694
Cash at bank and in hand	186,873	43,574	230,447
Creditors: due within one year	(10,190)	---	(10,190)
Totals	<u>345,377</u>	<u>43,574</u>	<u>388,951</u>

Indus Health Network

Notes to the Financial statements

31 March 2020

Fund balance at 31 March 2019 are represented by

	Unrestricted fund £	Restricted fund £	Total funds 2019 £
Cash at bank and in hand	109,270	86,810	196,080
Totals	109,270	86,810	196,080

11. Employees

The charity has no employees during the year.

12. Trustee remuneration and expenses

No trustee received any remuneration for the year ended 31 March 2020 (2019: Nil)

No trustee received any expenses reimbursements for the year ended 31 March 2020 (2019: Nil)

