

CHARITY REGISTRATION NUMBER: 1194571

Indus Health Network UK

REPORT & FINANCIAL STATEMENTS

31 December 2022

Indus Health Network UK

Financial Statements

Year ended 31 December 2022

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Indus Health Network UK

Trustees' Annual Report

Charity Reference and Administrative Details

Year ended 31 December 2022

Registered charity name	Indus Health Network UK
Charity registration number	1194571
Registered office	7 Bradman House, Abercorn Place St Johns Wood London NW8 9XY

Trustees

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

Auditor

Arif Malida
Chartered Accountants & Registered Auditors
66 Moyser Road
London
SW16 6SQ

Bankers

Barclays Bank Plc
1 Churchill Place,
London, E14 5HP

Metro Bank Plc
1 Southampton Row,
London WC1B 5HA

CAF Bank Ltd
25 Kings Hill Avenue,
Kings Hill, West Malling ME19 4TA

Indus Health Network UK

Trustees' Annual Report

Year ended 31 December 2022

The Trustees present their annual report together with the financial statements for the Charity for the period ended 31 December 2022. 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 (Constitution), the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice (second edition) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES, AIMS & ACTIVITIES FOR THE PUBLIC BENEFIT

Objectives and Activities

The objective of Indus Health Network UK (IHN UK) is the relief of financial need and suffering for the benefit of the public in Karachi, other cities that require medical facilities, its surrounding areas, including but not limited to victims of natural or other kinds of disaster, by providing aid, assisting in setting up hospitals, clinics and vaccination centres and medical centres and by such other means as deemed suitable, for such persons, bodies and organisations.

IHN UK relies solely on public donations to raise funding for this cause.

IHN UK is affiliated with Indus Hospital & Health Network (IHHN), based in Pakistan which is a not-for-profit company registered under section 42 of the Companies Ordinance 1984, Pakistan. IHHN is a registered charity in Pakistan with Charity Registration No. PCP-R2/2019/234. IHHN is a primary beneficiary of IHN UK's grant making activities.

IHN UK and IHHN have leadership boards which are independent of each other.

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

IHN UK 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.

IHN UK receives grant applications primarily from or for the benefit of IHHN which are reviewed by the Trustees on a case-to-case basis. The Charity assesses the grant requests taking into account the purpose, its impact and whether they are in line with the overall objectives set by IHN UK. The assessment also takes into account whether there are mechanisms established with the applicant that would allow the ongoing monitoring and evaluation of the project including its sustainability. To streamline this process, a standard format has been established which has been found adequate for the ongoing grant applications.

Once a grant has been approved, authorisation is accorded to release the funds to the beneficiary and only upon approval does a grant become payable.

Indus Health Network UK

Trustees' Annual Report

Year ended 31 December 2022

For the maintenance of adequate cashflows that are required to meet the overall running of the Charity, the Trustees ensure that a minimum reserve is retained at all times prior to considering any grant application (see Reserves Policy below).

STRUCTURE, GOVERNANCE & MANAGEMENT

The governance responsibilities of IHN UK are overseen by experienced Trustees on a pro bono basis. They include specialists from the medical field, finance, marketing and those with community knowledge. Trustees are expected to provide guidance and develop strategies to steer the Charity towards achieving its laid-down goals and objectives within the Regulatory framework.

The Charity's constitution backed by internal policies sets out the framework to oversee the raising of donations and its deployment. An annual budget is set based on the previous year's performance with close attention being placed on cost-to-income ratios.

Trustees hold regular meetings during the year to monitor performance. When required, policies are discussed and updated, requests for grants are reviewed for approval and new initiatives debated for launching.

The management of the Charity is entrusted to a full-time consultant who is supported by a part time experienced consultant. Their principal activity is grounded towards building awareness amongst the targeted donors of the works being undertaken by Indus Hospital & Health Network (IHHN). This requires the development of various channels to communicate with the donor community including; engaging volunteers for the formation of chapters around the UK, live appeals on radio/TV, health shows on specific TV channels, live talks via Zoom or other virtual means, golf/cricket tournaments when permissible.

In addition to building awareness, the consultants are responsible to maintain donor records with due regard to expectations under the GDPR guidelines and for periodic lodgment of gift aid claims.

GOVERNING DOCUMENT & HOW THE CHARITY IS CONSTITUTED

The Charity was formed as a charitable incorporated organisation under a Foundation Constitution dated 24 May 2021. The Charity constituted and its assets are administered and managed by the Trustees under the name of Indus Health Network UK 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 consultants involved in awareness building and administration. Management decisions are undertaken through consultation between the Trustees and final approval is made collectively.

At the induction of a new Trustee, training would be recommended dependent on the level of knowledge / experience that the new Trustee brings.

Public Benefit

The Trustees have referred to the 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.

Indus Health Network UK

Trustees' Annual Report

Year ended 31 December 2022

FUND-RAISING STANDARDS INFORMATION

IHN UK has not engaged any external professional fundraiser nor any person or a commercial company to act on its behalf to fund raise.

IHN UK is registered with the Fundraising Regulator (FR) and practices its code of conduct for fundraising in accordance with it.

It has registered itself on the Fundraising Preference Service (FPS) which is a secure charity portal of FR, to ensure that it does not send direct marketing communications to people who have made an FPS request.

IHN UK uses Donofy CRM, a GDPR compliant system that records the donor's communication preferences for further contact with the supporters.

IHN UK is committed to protecting and respecting privacy and security of its donors and believes that their personal data is an 'Amanah' (Trust) – much like the donations – and are therefore committed to being open and transparent about how the data is stored and used. The Charity has a Privacy and Data Protection policy which outlines how data is collected, managed, used and means of protecting the personal information. This policy is accessible to the public via the IHN UK website, <https://indushospital.org.uk/privacy-policy/>

IHN UK does not practice a cold telephone fundraising campaign so as to avoid and protect vulnerable people and other members of the public.

RISK MANAGEMENT

IHN UK has a risk management strategy which comprises:

- A periodic 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 believes the exposure to be minimal. The Trustees believe that this approach to risk management is effective.

ACHIEVEMENTS & PERFORMANCE

The charity completed the transfer of all assets and liabilities from Indus Health Network (Charity No: 1154809) on 31 December 2021 and involved prior approval with the Charity Commission for the transfer of these net assets. Net assets comprise all assets and liabilities transferred.

For the year to 31 December 2022, donation income during the year totalled £2,450,567 comprising general donations of £1,140,415 and restricted donations of £1,310,152. A total of 7 grant payments were released totalling £307,790. All grant payments were released for procurement of equipment and services for the benefit of IHHN for health care skill development and expansion of the hospital.

Events in the year included the signature Annual Golf Tournament and speaker events with celebrities. As in the past, several community events were held to update them on how their donations were deployed.

The donations collected were deployed towards providing medical care to over 300,000 patients at IHHN. There were in excess of 25,000 patient visits, diagnostics and meals were distributed to the most vulnerable patients. There were over 5,500 cancer treatments providing chemotherapy, 500 custom made prosthetic limbs attached, clubfoot treatment provided to children and adults. As part of the expansion project at Korangi Hospital, a new ward was funded for mother and baby for safe pregnancies and neonatal care.

Indus Health Network UK

Trustees' Annual Report

Year ended 31 December 2022

The grant requests received from IHHN during the year included;

Health care skill development	£ 13,320
Medical Equipment Procured for Hospital Institutions	£ 294,470

The above grants were approved during the year and grants of £ 233,330 were disbursed. A grant of £ 74,460 was approved prior to the year end, committed and paid after the year end.

IHN UK has received substantial grant requests post year end for the expansion programme of IHHN details of which are further explained in the Trustees' Annual report section Plans for the future below.

TITLE ASSET TRANSFERS

Following the Charity Commission approval for the transfer of assets from the previous Charitable Trust Indus Health Network (Charity No 1154809) to IHN UK, the Trustees assisted by the management team arranged for all title and asset transfer for bank accounts, online platforms including website into IHN UK. Following extended delay due to supplier backlog, the Trustees can confirm that all title asset transfers are concluded. The Trustees also received approval from HMRC of the Gift Aid status for IHN UK as part of the transfer process from the Charitable Trust and the incorporation to IHN UK.

The Trustees of IHN UK are very conscious of their responsibility to arrange an orderly transfer to IHN UK and are pleased to confirm this has been achieved.

PLANS FOR THE FUTURE

As of October 2023, The Trustees confirm they have received, approved and remitted a substantial number of post 31 December 2022 grant requests from IHHN which will be included in the accounts year ended 31 December 2023. These grant requests are materially related to IHHN expansion programme to develop new medical hospitals and clinics in other cities in Pakistan. A material grant procurement programme for various medical items occurred and grants in the region of £ 2M have been remitted. Non expansion grants for ongoing grants were also requested and grants in the region of £ 180K were approved and remitted. These remittances of charitable grants arise when IHN UK holds surplus funds as of 31 December 2022 (yearend) and the cycle of grant remittances overlap into a new financial year for the charity. Further details are within notes to the accounts, note 17 significant events after the reporting period, as the grant remittances are considered material.

The Trustees shall continue to monitor the level of funds held in IHN UK and continue the grants programme with IHHN which is a primary method of IHN UK fulfilling its charitable obligations.

It is expected that with no transactions in the books of the previous charity Indus Health Network (Charity No 1154809), a planned cessation process will follow.

To expand its reach for the purpose of creating further awareness of the excellent work being undertaken by IHHN, IHN UK will continue with a number of activities including:

- Social events and general public gatherings to reach out to the local communities in major cities / towns within the UK.
 - Engagement with high network donors (existing and prospective).
 - Formation of additional volunteer groups
 - Social and digital campaigns
-

Indus Health Network UK

Trustees' Annual Report

Year ended 31 December 2022

- Ramadhan Campaign
- Annual golf & cricket tournament
- Charity run

With the transfer of assets from the unincorporated charitable trust (IHN) to IHN UK, all policies of IHN were adopted by the acquiring entity. Updates and periodic review are undertaken to update policies where necessary.

RESERVES POLICY

The Reserve Policy of IHN has been adopted by IHN UK i.e., to maintain sufficient funds to meet the cash outflow for the next 12 months. While transferring the assets to IHN UK, the Trustees are satisfied with the Reserves that have been transferred across.

ACKNOWLEDGMENT

We wish our donors, the many volunteers, our external advisors and the Team at IHN UK good health, may their spirit continue to shine for the betterment of society.

TRUSTEES' RESPONSIBILITIES

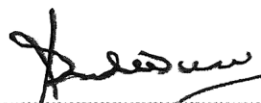
The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 2019 (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 18 October 2023



Dr Mateen Durrani

Trustee

Indus Health Network UK

Independent Auditor's Report To The Trustees of Indus Health Network UK

Year ended 31 December 2022

We have audited the financial statements of Indus Health Network (the "charity") for the year ended 31 December 2022 which comprise of the Statement of Financial Activities, the Balance Sheet, the cash flow statement and the related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS102 "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 31 December 2022, and of its incoming resources and application of resources, 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 Charities Act 2011.

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 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 financial statements for the prior financial period year ending 31 December 2021 were unaudited as the Charity did not operate in the period ended 31 December 2021. We refer to the trustees' report where the Trustees explain the transfer of funds to the Charity on 31 December 2021.

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
-

Indus Health Network UK

Independent Auditor's Report To The Trustees of Indus Health Network UK

Year ended 31 December 2022

- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 5], the trustees are responsible for the preparation of financial statements which 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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. We planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non compliance with law or regulations. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Performing analytical and substantive procedures to identify any unusual or unexpected relationships and testing transactional samples and journal entries for appropriateness.
- Assessing whether judgement and assumptions made in determining accounting estimates indicate potential bias
- Investigated transactions which appears unusual or significant in value and the rationale of the transaction.
- Enquiring with trustees and the charity whether they are aware or hold knowledge of any non-compliance with laws and regulations.
- Enquiring with trustees and the charity of their internal controls established to mitigate risk related to fraud or non-compliance with laws and regulations.
- Reviewing accounting estimates for bias and evaluating whether circumstances producing any bias, represent a risk of material misstatement due to fraud,
- Reviewing correspondence with HMRC and relevant regulators.
- Assessing financial statement disclosures and testing to supporting documentation for compliance with applicable laws and regulations.

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. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

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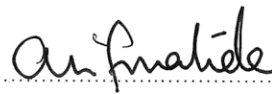
Independent Auditor's Report To The Trustees of Indus Health Network UK

Year ended 31 December 2022

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



ARIF MALIDA (Senior Statutory Auditor) on behalf of Arif
Malida Chartered Accountants,
Statutory Auditor

66 Moyser Road
London SW16 6SQ

Date: 18 October 2023

Arif Malida is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Indus Health Network UK

Statement of Financial Activities

Year ended 31 December 2022

					Period from 24 May 2021 to 31 December 2021
		Unrestricted funds	2022 Restricted funds	Total funds	Total funds
	Note	£	£	£	£
Income From					
Donations and legacies	4	1,140,415	1,310,152	2,450,567	-
Total income		<u>1,140,415</u>	<u>1,310,152</u>	<u>2,450,567</u>	<u>-</u>
Expenditure On					
Raising Funds	5	(283,287)	-	(283,287)	-
Charitable activities	6/7	(436,471)	-	(436,471)	-
Total Expenditure		<u>(719,758)</u>	<u>-</u>	<u>(719,758)</u>	<u>-</u>
Net Income / (Expenditure) for the Year before other recognised gains / (losses)	8	<u>420,657</u>	<u>1,310,152</u>	<u>1,730,809</u>	<u>-</u>
Other Recognised Gains / (losses)					
Other gains / (losses)	8	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds	8	<u>420,657</u>	<u>1,310,152</u>	<u>1,730,809</u>	<u>-</u>
Reconciliation of funds					
Assets transferred from Indus Health Network Charity No 1154809 At 31/12/2021	9	<u>543,063</u>	<u>203,249</u>	<u>746,312</u>	<u>746,312</u>
Total funds carried forward	9/13	<u>963,720</u>	<u>1,513,401</u>	<u>2,477,121</u>	<u>746,312</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 12 to 22 form part of these financial statements.

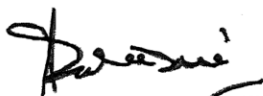
Indus Health Network UK

Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Current assets			
Debtors	10	319,253	62,460
Cash at bank and in hand	11	2,269,831	804,805
Total Current Assets		2,588,286	867,265
<i>Creditors: amounts falling due within one year</i>			
Creditors	12	(74,765)	(100,000)
Accruals	12	(36,400)	(20,953)
Total Creditors: amounts falling due within one year		(111,165)	(120,953)
Net current assets		2,477,121	746,312
Total assets less current liabilities		2,477,121	746,312
Net Assets		2,477,121	746,312
Funds of the charity			
Unrestricted funds	13	963,720	543,063
Restricted funds	13	1,513,401	203,249
Total charity funds	13	2,477,121	746,312

These financial statements were approved by the board of trustees and authorised for issue on 18 October 2023, and are signed on behalf of the board of trustees by:



Dr Mateen Durrani
Trustee

Charity No: 1194571

The notes on pages 12 to 22 form part of these financial statements.

Indus Health Network UK

Statement of Cash Flow

31 December 2022

	2022 £	Period from 24 May 2021 to 31 December 2021 £
Cash flows from operating activities		
Net Income / (expenditure) for the financial year	1,730,809	-
<i>Changes in:</i>		
(Increase) / Decrease in debtors	(256,795)	-
Increase / (Decrease) in creditors	(25,235)	-
Increase / (Decrease) in Accrued expenses	15,447	-
Cash generated from / (used in) operations	(266,583)	-
Net cash from / (used in) operating activities	<u>1,464,226</u>	<u>-</u>
Cash flows from financing activities		
	-	-
Net cash (used in) / from financing activities	<u>-</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents	1,464,226	-
Cash transferred from Indus Health Network No 1154809 (Note 13)	-	804,805
Cash and cash equivalents at beginning of year	804,805	-
Cash and cash equivalents at end of year	<u>2,269,031</u>	<u>804,805</u>

The notes on pages 12 to 22 form part of these financial statements.

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Notes to the Financial statements

31 December 2022

1. General information & Basis of Accounting

The charity is a public benefit entity and a registered charitable incorporated organisation registered in England and Wales. The address of the principal office is 7 Bradman House, Abercorn Place, St Johns Wood, London NW8 9XY. The nature of the charity's operations and principal activities are the relief of financial poverty and suffering in Karachi by providing aid and assisting in setting up hospitals. The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice.

The financial statements are prepared on a going concern basis (note 3) and the functional currency of the charity is in Sterling. The financial statements have been prepared under the historical cost convention.

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 accrual 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 for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

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:

Indus Health Network UK

Notes to the Financial statements

31 December 2022

- 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. Gift Aid tax recoverable under the Gift Aid Scheme is recognised when there is an entitlement, certainty of receipt and the amount measured with sufficient reliability. Where a claim for repayment of income tax has been or will be made, such income is included in the debtors' if not received by the year end.

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 in attracting voluntary income.
- 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. These include direct charitable expenditure, grants and support costs relating to those activities. Grants payable to other organisations are recognised in the SOFA when approved by the trustees and terms are payable.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

Support costs: Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs for a single activity are allocated to the particular activity where the cost relates directly to that activity. However, Support costs that represent the support functions of management, finance, human resources, IT and support departments attributable to the management of the Charity's assets, are allocated in proportion to the type of charitable activity during the period. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7 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.

Governance costs: are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. Governance support costs are allocated on the basis of support activities provided on clearly interpreted governance matters.

Foreign Currency and Realised Gains and losses

Transactions in foreign currency are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate prevailing at the year-end. All exchange differences are recognised through the statement of financial activities. Realised gains and losses are calculated as the difference between income proceeds and their carrying value and are recognised in the Statement of Financial Activities as they arise.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

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Cash and cash equivalents

Cash and cash equivalents include cash in hand and balances held with financial banking or platform institutions with whom the charity has a bank account or platform relationship with.

Taxation

The trust is a registered and exempt charity within the meaning of Schedule 3 Charities Act 2011 and therefore is not liable to income tax from its charitable activities. Vat: Costs are recorded gross of VAT and the charity is not registered for VAT, so all costs are recognised gross of VAT.

Change of financial period end date

The financial period end of the charity was changed from 31 May to 31 December to be coterminous with the calendar year end. Accordingly, the prior period comparatives are prepared for a financial period approximately 7 months from 24 May 2021 to 31 December 2021. As a result, the comparative figures stated in the Statement of Financial Activities, Statement of Cash flow and the related notes are not comparable on this basis.

4. Income from Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Donations			
General Donations	823,159	-	823,159
Gift Aid	317,256	-	317,256
Zakat Donations	-	994,520	994,520
Sadaqah Donations	-	313,256	313,256
Fidyah Donations	-	520	520
Fitrana Donations	-	1,856	1,856
	<u>1,140,415</u>	<u>1,310,152</u>	<u>2,450,567</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
General Donations	-	-	-
Gift Aid	-	-	-
Zakat Donations	-	-	-
Sadaqah Donations	-	-	-
Fidyah Donations	-	-	-
Fitrana Donations	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

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5. Raising Funds:

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Fundraising Administrators	48,421	-	48,421
Advertising / Promotional / Event Costs	234,866	-	234,866
Total cost of generating funds	<u>283,287</u>	<u>-</u>	<u>283,287</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Fundraising Administrators	-	-	-
Advertising / Promotional / Event Costs	-	-	-
Total cost of generating funds	<u>-</u>	<u>-</u>	<u>-</u>

6. Charitable Activities:

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Grant making	307,790	-	307,790
Support & Governance Costs	128,681	-	128,681
Total cost of charitable activities	<u>436,471</u>	<u>-</u>	<u>436,471</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Grant making	-	-	-
Support & Governance Costs	-	-	-
Total cost of charitable activities	<u>-</u>	<u>-</u>	<u>-</u>

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7. EXPENDITURE ANALYSIS

		Cost of generating funds	Charitable activities				2022 Total	2021 Total	
			General Activities	Governance costs	Support Costs				
		£	£	£	£	£	£		
Cost of generating funds	Direct	283,287	-	-		283,287	-		
Grant Making	Direct	-	307,790	-		307,790	-		
Bank charges	Support	-	-	-	26,625	26,625	-		
Consultancy Fees	Support	-	30,791	23,167		53,958	-		
General Administrative expenses	Support	-	-	-	25,965	25,965	-		
Travel and Motor expenses	Support				2,926	2,926			
Subscriptions	Support	-	-	-	4,292	4,292	-		
Printing, Postage and Stationery	Support	-	-	-	515	515	-		
Audit fees	Governance	-	-	14,400	-	14,400	-		
Bookkeeping fees	Governance	-	-	-	-	-	-		
Total expenditure 2022		283,287	338,581	37,567	60,323	791,758	-		
Total expenditure 2021		-	-	-	-	-	-		

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7A. Analysis of Grants

I. ANALYSIS OF GRANTS TO INSTITUTIONS AND INDIVIDUALS

Activity	Institutions £	Individuals £
Health care skill development	13,320	-
Medical Equipment Procured for Hospital Institutions	294,470	-
TOTAL 2022	307,790	-

Activity	Institutions £	Individuals £
Hospitals / Medical Centres & Illness treatments	-	-
Medical Equipment Procured for Hospital Institutions	-	-
TOTAL 2021	-	-

II. ANALYSIS OF TOTAL GRANTS BY FUND TYPE

Activity	Unrestricted General / £	Restricted Zakat / £	Restricted Sadaqah / £	Restricted Fidyah / £	Restricted Fitrana / £
Health care skill development	13,320	-	-	-	-
Medical Equipment Procured for Hospital Institutions	294,470	-	-	-	-
Food & Relief of Poverty	-	-	-	-	-
TOTAL 2022	307,790	-	-	-	-

Activity	Unrestricted General / £	Restricted Zakat / £	Restricted Sadaqah / £	Restricted Fidyah / £	Restricted Fitrana / £
Hospitals / Medical Centres & Illness treatments	-	-	-	-	-
Medical Equipment Procured for Hospital Institutions	-	-	-	-	-
Food & Relief of Poverty	-	-	-	-	-
TOTAL 2021	-	-	-	-	-

Due to the charity reorganisation and incorporation, the comparative 2021 grant activity is listed as Nil. However, the unincorporated charity Indus Health Network Charity No 1154809 paid and committed grants totalling £ 1,045,058.

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I. ANALYSIS OF MAJOR INSTITUTIONAL GRANTS

Material Institutional grants (greater than £ 2,000) were paid as follows:

Name	Amount / £	Activity
Indus Hospital & Health Network, Pakistan	13,320	Health care skill development
Indus Hospital & Health Network, Pakistan	294,470	Medical Equipment Procured for Hospital Institutions
Total 2022	307,790	
Total 2021	-	

7B. Grants payable

	2022 / £	2021 / £
Paid during the year	233,330	-
Committed Amounts	74,460	100,000
Carried forward Grant commitment	74,460	100,000

8. Net Income for the Year

This is stated after charging:

	2022 £	2021 £
Auditors' remuneration: - audit of the financial statements	14,400	-

9. Analysis of charitable funds

Unrestricted funds	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
General funds	543,063	1,140,415	(719,758)	963,720
Unrestricted funds carry forward	<u>543,063</u>	<u>1,140,415</u>	<u>(719,758)</u>	<u>963,720</u>

Restricted funds	At 1 January 2022 £	Income £	Expenditure £	At 31 December 2022 £
Restricted Fund - Zakat	40,617	994,520	-	1,035,137
Restricted Fund - Sadaqah	162,632	313,256	-	475,888

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Restricted Fund - Fidyah	-	520	-	520
Restricted Fund - Fitrana	-	1,856	-	1,856
Restricted funds carry forward	<u>203,249</u>	<u>1,310,152</u>	<u>-</u>	<u>1,513,401</u>

	Funds transfer Assets transferred from Indus Health Network Charity No. 1154809 £	Income £	Expenditure £	At 31 December 2021 £
General funds	543,063	-	-	543,063
Unrestricted funds carry forward	<u>543,063</u>	<u>-</u>	<u>-</u>	<u>543,063</u>
Restricted Fund - Zakat	40,617	-	-	40,617
Restricted Fund - Sadaqah	162,632	-	-	162,632
Restricted Fund - Fidyah	-	-	-	-
Restricted Fund - Fitrana	-	-	-	-
Restricted funds carry forward	<u>203,249</u>	<u>-</u>	<u>-</u>	<u>203,249</u>

10. Debtors

	2022 £	2021 £
Gift Aid Receivable	317,255	62,460
Prepayments	2,000	-
	<u>319,255</u>	<u>62,460</u>

11. Analysis of cash and cash equivalents

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	<u>804,805</u>	<u>1,464,226</u>	<u>2,269,031</u>

12. Creditors: Amounts falling due within one year

	2022 £	2021 £
Accruals	36,400	20,953
Creditors	74,765	100,000
	<u>111,165</u>	<u>120,953</u>

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13. Fund balance at 31 December 2022 are represented by

	Unrestricted fund £	Restricted fund £	Total funds 2022 £
Debtors	319,255	-	319,255
Cash at bank and in hand	755,630	1,513,401	2,269,031
Creditors: due within one year	(111,165)	-	(111,165)
Totals	963,720	1,513,401	2,477,121

Fund balance at 31 December 2021 are represented by

	Unrestricted fund £	Restricted fund £	Total funds 2021 £
Debtors	62,460	-	62,460
Cash at bank and in hand	501,556	303,249	804,805
Creditors: due within one year	(20,953)	(100,000)	(120,953)
Totals	543,063	203,249	746,312

Restricted Funds at 31 December 2021 are:

Fund Type	Funds transfer - Assets transferred from Indus Health Network Charity No 1154809
Restricted Fund – Zakat	40,617
Restricted Fund – Sadaqah	162,632
Restricted funds carry forward	<u>203,249</u>

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13A. Transfer of Funds to Indus Health Network UK Charity No 1194571

On 31 December 2021, the charity transferred its operations to the charity as part of a long-term re-organisation and restructuring.

The charity obtained prior approval from the Charities Commission as part of this transfer and once approval was received the charity proceeded to transfer its closing funds of 31 December 2021 to the newly incorporated CIO.

As of 31 December 2021, the transfer of funds comprising of assets and liabilities is as follows

	Unrestricted fund	Restricted fund - Sadaqah	Restricted fund - Zakat	Total Assets and Liabilities Transferred on 31 December 2021
	£	£	£	£
Debtors (Gift Aid)	62,460	-	-	62,460
Cash at bank and in hand	501,556	162,632	140,617	804,805
Creditors: due within one year	(20,953)	-	(100,000)	(120,953)
Total Net Assets / Funds transferred to Indus Health Network UK (Charity No 1194571)	543,063	162,632	40,617	746,312

From 31 December 2021, the new charity, Indus health Network UK has merged the operations of the two charities.

The Trustees have completed the handover of remaining logistics including handover of legal title over to the charity.

On 31 December 2021, there was a closing committed Zakat grant payable (note 7B), which was transferred to the charity as part of the merger and transfer from the old charity. The committed Zakat grant amount of £ 100,000 was remitted by the charity on 17 January 2022.

14. Employees

The charity has no employees during the year and prior year.

15. Trustee remuneration and expenses

No trustee received any remuneration for the year ended 31 December 2022 (2021: Nil)

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16. Related Parties

The charity is affiliated with Indus Hospital & Health Network, Karachi, Pakistan (Pakistan Entity number: 0066591) (“the Hospital”). Accordingly, the charity has been initiated to fundraise for charitable grants in respect of the Hospital and the Hospital has been the primary beneficiary of the Grants paid and disclosed within note 7 of the notes to the financial statements.

Within note 7, total grants paid and committed to the Hospital and on its behalf amounted to £ 307,790 (2021: Nil). Whilst the charity has this affiliation, the board of trustees of the charity are independent of The Hospital and do not hold any key management or director positions within the Hospital.

Due to the charity reorganisation and incorporation, the comparative 2021 grant activity above is listed as Nil. However, for appropriately disclosure, the unincorporated charity Indus Health Network Charity No 1154809 paid and committed grants totalling £ 1,045,058 for the period 1 April 2021 to 31 December 2021.

Note 17 incorporates significant events after the reporting period for grant donations paid for the benefit of the Hospital.

17. Significant Events after the Reporting Period

The Trustees confirm they have received, approved and remitted a substantial number of post 31 December 2022 grant requests from Indus Hospital & Health Network, Karachi, Pakistan which will be included in the accounts year ended 31 December 2023.

These grant requests are materially related to IHHN expansion programme to develop new medical hospitals and clinics in Pakistan. A material grant procurement programme for various medical items occurred and grants in the region of £ 2M have been remitted from 1 January 2023 to the date of signing these financial statements.

Non expansion grants for ongoing grants were also requested and grants in the region of £ 180K were approved and remitted.

These grants represent a release of charitable grant activities where the charity held adequate funds as of 31 December 2022.

These post year end grants remitted represent a significant event after the reporting period.