FRIENDS OF LUDHIANA

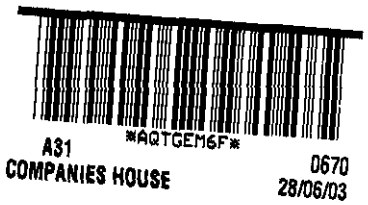
FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31ST DECEMBER 2002

Company Number: 497421

Charity Registered Number: 314148

Jacob Cavenagh & Skeet
Chartered Accountants
Oak House
5 Robin Hood Lane
Sutton, Surrey, SM1 2SW



FRIENDS OF LUDHIANA

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31ST DECEMBER 2002

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FRIENDS OF LUDHIANA
REPORT OF THE COUNCIL OF MANAGEMENT FOR THE YEAR ENDED 31ST DECEMBER 2002

The Council of Management have pleasure in presenting their report and the accounts for the year ended 31st December 2002, which have been prepared in accordance with the Charities Act 1993, and the Statement of Recommended Practice, Accounting & Reporting by Charities.

Objects of the charity
The principal activity of the Friends of Ludhiana is to carry on charitable work for the benefit of the Christian Medical College and Brown Memorial Hospital in Ludhiana, India, by the dissemination of news of the work of the College, the recruitment of staff and raising of funds.

Organisation
The charity is a company limited by guarantee and governed by its Memorandum and Articles of Association.

The activity of the Friends of Ludhiana is controlled by the Council of Management for policy decisions. Until February 2002 the day-to-day management was carried out by the Executive Committee appointed by and answerable to the Council of Management. In February 2002 it was agreed by the Council of Management that it would in future be reduced in size and a new Board of Reference would be set up for those wishing to advise the Council in advance of the aims and objects of the Society, although not wishing to be trustees of the Charity and directors of the Company. In February 2002 the Council of Management resumed responsibility for the day-to-day management.

Friends of Ludhiana operates out of its London office which is serviced by an Executive Officer (full-time) under the direction of the Council of Management. Area Representatives (honorary) seek to promote the interest of the charity throughout the United Kingdom.

Council of Management
The Council of Management is elected from the membership of the Friends of Ludhiana, proposed by the members of the Company or by the Council of Management in accordance with the provisions of its Memorandum and Articles of Association.

The following persons are currently members of the Council of Management:

Dr D A J Tyrrell	President and Chairman
Miss M E Howard	Vice Chairman
Mr T G Allford	Honorary Treasurer
Dr R P Britt	
Mr P J Clark	
Miss B Dey	
Miss M A Heath	
Mr J A Rennie	Vice President (since June 2002)
Mrs C Standring	

The following additional persons served as members of the Council of Management during the financial year to 31st December 2002:

Mrs S Bhansali	ceased February 2002 – now Board of Reference
Miss C.M. Coote	ceased February 2002 – now Board of Reference
Dr B Cowan	ceased February 2002 – now Board of Reference
Mr P East	ceased February 2002 – now Board of Reference
Mrs U H L Hyde	ceased February 2002 – now Board of Reference
Prof J H Jones	ceased February 2002
Mr M Limb	ceased February 2002 – now Board of Reference
Mr W T Lippett	ceased February 2002 – now Board of Reference
Miss J R McKim	ceased February 2002
Rev C A Murray	ceased February 2002 – now Board of Reference
Rev I W Nathaniel	ceased February 2002 – now Board of Reference
Miss E Platts	ceased February 2002 – now Board of Reference
Mrs D M Woosley	ceased February 2002 – now Board of Reference
Rev M J Woosley	resigned November 2002

Risk review
The Council of Management have undertaken a review of the major risks to which the charity is exposed, and are implementing systems to mitigate those risks.

Responsibilities of Council of Management
Company law requires the Council of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for the period. In preparing those financial statements, the Council of Management are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Council of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable it to ensure that the financial statements comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Review of activities
The work of Christian Medical College (CMC) Ludhiana has continued to flourish during the year 2002, both in the expansion of existing areas and the inception of new and exciting developments. Several areas of the hospital have undergone refurbishment along with the provision of new equipment and there are plans for a pioneering unit at Village Rania with the CMC Ajit Singh Lotey Medicity, incorporating a Regional Cancer Centre and Children's Hospital. On the College's side, the Dental College celebrated ten years of existence and new courses have commenced in both dentistry and nursing. It has been gratifying that the Supreme Court Hearing concerning the rights of minority educational institutions has made a favourable judgement to allow CMC to continue to select students according to its own criteria. Within the community CMC has continued to provide basic health care needed through its community health programmes in satellite centres and through its low cost clinics and concessionary care within the hospital. Support for and confidence in the institution from within the city of Ludhiana continues to grow as evidenced by a further increase in the number of patients seen.

The Council of Management of the Friends of Ludhiana has continued to affirm its support for the work of CMC Ludhiana under the leadership of Dr Silas Charles and his administrative team of Deputy Directors and Medical Superintendents and has sought to consolidate this support in both new and established ways. Friends of Ludhiana has maintained close and regular contact with the Director and Senior Administrators at CMC to ensure that this support is appropriate for the perceived needs within the institution, and has particularly appreciated the immediacy of communication through e-mail and telephone and personal contact with CMC staff, either through staff visits to UK or volunteers visiting CMC. The Friends of Ludhiana has been represented at both of the Governing Body Meetings held during 2002 by a member of the Council of Management and it is grateful that the expenses incurred by this visit have been met by donation and therefore has not depleted funds available for the support of CMC. These visits have proved invaluable in obtaining the latest news of the situation at CMC, with knowledge of the many needs of the institution and how Friends of Ludhiana might most effectively give its support.

News of CMC has been shared with members and supporters and prayer support encouraged throughout the year by way of bulletins and newsletters, including communication of urgent news by e-mail to supplement the bulletins. Promotional material (including brochures and bulletins) and information continue to be produced 'in-house' and the range of material able to be produced at minimal cost has increased during the year, and there are already plans to update the Prayer Guide and produce further new leaflets in 2003. This material along with slides and photographs have been made available to individuals, groups and Area Representatives.

During 2002 Friends of Ludhiana has also been involved in promoting the support of and interest in the work of CMC Ludhiana through –
Charlie's HOTMAIL – an occasional publication for CMC alumni in UK, USA and the Gulf States
Christian Vocations – *Short Term Service Directory*
Spring Harvest – *WHEREhouse*
Christians Abroad – *World Service Enquiry*
Gospel Cards – sales of Christmas and Everyday Cards
UCCF (Universities and Colleges' Christian Fellowship) Forum
Public Meetings – in London and Long Whatton (Leicestershire)

The increased availability of modern technology has enabled greater accessibility (in speed and cost) of information and Friends of Ludhiana has promoted the work of CMC Ludhiana through its website (www.friendsofludhiana.org.uk), through Powerpoint presentations and through using electronic and computer media for sharing and publicising the work through other organisations. Friends of Ludhiana appreciates the many and varied opportunities there are to promote the work of CMC Ludhiana and it continues to seek and monitor innovative approaches to publicity for current perceived needs and to capture the interest of a younger generation and their churches.

The recruitment of volunteers to share in the work at CMC continues to be one of the main contributions made by Friends in the United Kingdom and applications are processed through the office. It is an established practice that the Director is approached to ascertain whether a suitable place can be offered to the candidate and then a clear job description obtained. Candidates are asked to provide evidence of a satisfactory work record also giving evidence of their qualifications, and references are obtained and interviews held. Advice and assistance with travel and other arrangements are given through the office once the Colleges or Hospital accepts personnel, although each volunteer is encouraged to seek appropriate professional advice in their preparations. Friends of Ludhiana has also updated and agreed new protocols for the care of volunteers, particularly in the light of current heightened international political and other activities.

The following personnel served at CMC during 2002, utilising a wide variety of skills (some of these were making ongoing return visits) –

a haematologist for ten weeks (two visits)
a secretary for two months
a radiographer for four weeks (two visits)
two accountants for four and a half months each
a financier for seven weeks.

Dr David Forbes, an accountant, completed his two years of service and returned to the UK with his family in the summer. In addition senior medical personnel (Consultants) have made brief professional visits of a week's duration (a surgeon, an orthopaedic surgeon, an obstetrician/gynaecologist, two GP trainers) and Dr Betty Cowan spent eleven weeks in the winter months assisting in various capacities. Mr John and Mrs Elizabeth Medhurst arrived at CMC in October 2002, he to help out in Finance and Funding and she to assist in the Fellowship Department. However Mrs Medhurst suffered a cardiac arrest a fortnight after their arrival and as soon as she was able they travelled to CMC Vellore for Mrs Medhurst to undergo rehabilitation therapy above a standard offered by CMC Ludhiana. The circumstances of those who have served range from those taking leave of absence from their current employment to retired personnel. Several other enquiries have been pursued during the year, although visits did not take place due to a variety of circumstances including the uncertain international situation. The continued shortage of available accommodation at CMC has meant caution still has to be exercised in the number of visitors to the institution at any one time.

It is very difficult to quantify the value of the contribution made by volunteers at CMC. In all a total of approximately nineteen months of service have been given in 2002 and this represents not only professional input but also encouragement to the staff of the institution. Every effort is made to debrief volunteers on their return to UK, obtaining reports both to inform the Director of the perceived state of departments and to help when advising future personnel. Returning personnel are used whenever possible to speak at Public Meetings.

During the year the Friends of Ludhiana has also facilitated applications from students to undertake their elective placements at CMC. Ten applications were processed through the office, obtaining references from universities or colleges and liasing with the respective Principals and senior staff at CMC, although only three medical students actually travelled to Ludhiana (others having to withdraw their applications on the advice of their universities who were anxious about international tensions). A further 28 enquiries were received from other students requesting details and information was sent to these prospective elective students. As with volunteers, advice and assistance with travel arrangements are given and Friends of Ludhiana seeks to obtain reports of their experiences from the students and to maintain contact on their return to the United Kingdom.

Friends of Ludhiana has continued to facilitate opportunities for CMC staff enhancement and one member of staff visited UK in 2002 (at no financial cost to Friends of Ludhiana) and enquiries were made on behalf of two others –

Dr Sheila Das, Professor of Pathology, spent a week on her return to India from USA, spending one day in the laboratory and clinical haematology service at Hillingdon Hospital and three days in the Haematology Department at St. Mary's Hospital, Paddington (London).

Whilst Friends of Ludhiana has been happy to make arrangements for and to receive CMC staff in this country, the management at CMC now consider that opportunities for training should be concentrated more locally rather than overseas, wherever possible, in order that the benefits are more widely spread and cost effective.

Throughout the year the Director of CMC has made it clear that there is a continued need for the input of financial resources to CMC Friends of Ludhiana has made this need known to members and supporters and has been able to transfer a considerable amount of money to CMC for various projects. The funds to be used at the discretion of the Director have been used to provide general maintenance and salaries for the institution. The Council is grateful for the co-operation of the Director in providing them with details of how these funds have been used.

Friends of Ludhiana has also continued to give support to a number of projects at CMC during 2002 including:
Free Care and Low Cost Treatment Ward, serving the poor attending the hospital and requiring inpatient treatment
Nurse Sponsorship where 29 student nurses have received assistance with their tuition and hostel fees during the year (The Principal of the College of Nursing has indicated that Friends of Ludhiana is supporting 48 of the 59 students receiving help)
Charity Clinic, a virtually free weekly clinic for the poor and marginalized people of the city
Housing for CMC staff through the construction of the Betty Cowan Apartments, the first floor now completed and sufficient funds raised for the construction of the final top floor
Nurse Accommodation, to provide more units of residential accommodation within the Nurses' Hostel to ease the current overcrowding
Friends of Ludhiana will continue to support projects which seek to help the poor, needy and underprivileged people of Ludhiana and those seen through CMC's outreach programmes.

The Council of Management has considered carefully issues surrounding donations of all kinds and agreed a policy which would seek to welcome donations from different sources, although to discourage certain conditions placed on donations wherever possible. Alongside this guidelines established for project funding have sought to address factors particularly pertinent to larger projects. In seeking to maximise returns on funds held, the Council of Management has opened a CAFCash account for the day-to-day transactions of Friends of Ludhiana which will provide greater interest earned on cash deposits and reduce charges payable.

As part of its fund-raising programme the Friends of Ludhiana has continued to seek to identify charitable trusts within the United Kingdom that might be approached to consider making a contribution to essential and worthwhile projects at CMC; work began again in earnest in the autumn but has been relatively unproductive to date.

In 2002 second-hand equipment and journals are recorded as having been sent to CMC, the office being involved in responding to several enquiries and co-ordinating activities, putting together three consignments for shipment in the year. However, the organisation through which consignments were sent under the Indo/UK Agreement ceased trading at the end of the year and at present no alternative arrangements have been established. The acceptance of equipment and journals is therefore currently suspended, pending further enquiry and recognising that the purchase of new equipment and supplies when available in India is preferable.

The Council of Management has been considering ways to widen the support base of the Friends of Ludhiana and to encourage support for the 'core activities' alongside the contributions to specific projects and the general financial needs of CMC. During the year it sought to encourage the recruitment of new members, although the initiative has not yet borne much fruit. Hard work is still needed in the coming year to continue the level of financial, volunteer and prayer support for the institution. In the light of the developments taking place at CMC the Council of Management has spent further time considering its structure including the activation of a Board of Reference to enhance its support for the work of CMC. The Council remains grateful to those who have taken on extra responsibilities and commitments in a voluntary capacity to maintain its level of support during 2002 and it is hoped that with further help the year 2003 will be one when others come to hear of the work of CMC Ludhiana and the level of support through Friends of Ludhiana can be increased.

No report for the year would be complete without noting the deaths of Dr Betty Hobbs, Dr Vera Morgan and Dr Meg Patterson, all of whom during their lifetimes made significant contributions to the work of both CMC Ludhiana and Friends of Ludhiana.

The Council of Management would like to thank the members of the Friends of Ludhiana for their prayerful support and interest in 2002 and trust that it may continue.

Rent review
Negotiations have continued throughout 2002 regarding the Rent Review at December 2001. Whilst there has been agreement in principle between the parties, the necessary legal paperwork effecting the change has yet to be completed, but it is hoped this will take place early in 2003.

Financial review
The accounts, which are set out on pages 9 to 17, have been prepared to comply with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued by the Charity Commission in October 2000.

Apart from Donated Equipment and Unrestricted Legacies, income for both unrestricted and restricted purposes declined from that for the previous year.

Unrestricted Funds – Incoming Resources, excluding legacies, amounted to £36,708 (2001: £42,496). Also £4,885 (2001: £3,574) was received from legacies and will be accounted for in accordance with previous policy (see section on Reserves Policy). Total Resources Expended amounted to £45,159 (2001: £44,782). Balances carried forward at the end of the year amounted to £36,589 (2001: £35,198) in the General Fund and £18,467 (2001: £23,424) in the Legacy Fund.

Restricted Funds – Incoming Resources, excluding Donated Equipment, amounted to £42,335 (2001: £87,368). Full details of the amounts given for the various purposes are given in Note 13 to the accounts. A large amount (£30,381) was given in 2001 for the Gujarat Medical Relief Teams, which is the main reason for the significant decrease. Resources Expended, excluding donated equipment amounted to £39,179 (2001: £94,611). No Donated Equipment was shown in the accounts for 2001 but equipment to the value of £46,311 was given in 2002.

Tax Efficient Giving – As many donors are making use of the Gift Aid arrangements, it was possible to reclaim tax in 2002 of £7,435. (Gift Aid Declaration Forms may be obtained from the office.)

It is gratifying to have been able to give so much to support the work of CMC Ludhiana in 2002, although it is disappointing that general donations were less than in the previous year. However, the amount of donated equipment was a very valuable addition to the contributions made. Also, as indicated in Note 1(b), no amounts are included for services donated by volunteers and this is a very substantial amount.

Investment policy
As a small company the charity has a relatively low level of liquid funds. These are kept in short-term deposits which can be accessed readily.

Reserves policy
The charity maintains two Funds of an unrestricted nature:

General Fund – It is the policy of the charity to maintain this fund at a level which equates to approximately twelve months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs. The fund was maintained at this level throughout the year.

Legacy Fund – The charity receives legacies from time to time, which vary considerably in their size. To provide a degree of stability to the ongoing work of the charity the individual legacies are transferred to the General Fund in equal instalments over a five year period.

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity. The trustees will review the level of this reserve to provide sufficient to cover management and support costs and to respond to emergency applications for grants which may arise from time to time.

Commitments
Apart from the details set out in note 14 to the accounts, the Council has not entered into any legally or morally binding charitable commitments or guarantees which might require separate disclosure.

In the view of the council its assets are fully available and adequate to meet its obligations.

Professional advisers

Bank: CAFCash
Kings Hill
West Malling
Kent ME19 4TA

Solicitor: Cooke Matheson
7/8 Gray's Inn Square
Gray's Inn
London WC1R 5JQ

Reporting Accountant: Jacob Cavenagh & Skeet
Oak House
5 Robin Hood Lane
Sutton
Surrey SM1 2SW

Small company

This report is prepared in accordance with Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE COUNCIL

157 Waterloo Road
London
SE1 8UU

28th April 2003

Dr David A J Tyrrell
President and Chairman

ACCOUNTANTS' REPORT

TO THE MEMBERS OF

FRIENDS OF LUDHIANA

We report on the accounts for the year ended 31st December 2002, which are set out on pages 9 to 17.

Respective responsibilities of Council of Management and reporting accountant
As described on page 2, the company's Council of Management are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to examine the financial statements and, based on our examination, to report our opinion, as set out below to the members.

Basis of opinion
Our work was conducted in accordance with the Statement of Standards for Reporting Accountants issued by the Auditing Practices Board, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion
In our opinion:

(a) the financial statements are in agreement with the accounting records kept by the company under s221 of the Companies Act 1985;

(b) having regard only to, and on the basis of, the information contained in those accounting records:

(i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in s249C(6) of the Act; and
(ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year, specified in s249A(4) of the Act as modified by s249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in s249B(1).

Jacob, Cavenagh + Skeet

Jacob Cavenagh & Skeet
Reporting Accountants
5 Robin Hood Lane
Sutton
Surrey SM1 2SW

22nd May 2003

FRIENDS OF LUDHIANA

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2002

	Note	2002 Unrestricted Funds £	2002 Restricted Funds £	2002 Total Funds £	2001 Total Funds £
Incoming resources					
Donations and legacies		39,242	42,291	81,533	130,700
Interest receivable		2,351	44	2,395	2,738
Donated equipment		-	46,311	46,311	-
Total incoming resources		41,593	88,646	130,239	133,438
Resources expended					
Cost of generating funds:					
Fundraising and publicity		7,070	-	7,070	7,453
Charitable expenditure:					
Cost of activities in furtherance of the charity's objects		36,514	39,179	75,693	130,440
Donated equipment		-	46,311	46,311	-
Managing and administering the charity		1,575	-	1,575	1,500
Total resources expended	4	45,159	85,490	130,649	139,393
Net (outgoing)/incoming resources – net (expenditure)/income for the year	5	(3,566)	3,156	(410)	(5,955)
Total funds brought forward		58,622	20,805	79,427	85,382
Total funds carried forward		55,056	23,961	79,017	79,427

All recognised gains and losses are reflected through the Statement of Financial Activities and no separate Statement of Total Recognised Gains or Losses is presented. There were no discontinued or acquired activities during the current or preceding year.

FRIENDS OF LUDHIANA

BALANCE SHEET
AT 31ST DECEMBER 2002

	Note	2002 £	2002 £	2001 £	2001 £
Fixed assets					
Tangible fixed assets	7		202		739
Current assets					
Stock	8	292		404	
Debtors	9	4,400		2,784	
Cash at bank		78,522		78,382	
		83,214		81,570	
Creditors: Amounts falling due within one year	10	(4,399)		(2,882)	
Net current assets			78,815		78,688
Total assets less current liabilities			79,017		79,427
Net assets	11		79,017		79,427
Unrestricted funds	12				
General fund		36,589		35,198	
Legacy fund		18,467		23,424	
			55,056		58,622
Restricted funds	13		23,961		20,805
			79,017		79,427

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Council of Management on 28th April 2003 and signed on its behalf. The Council of Management consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249 A(2) of the Companies Act 1985. 10% or more of the members of the company have not issued a notice requiring an audit. The Council of Management acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the incoming resources and application of resources, including its income and expenditure for the year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

Mr T G Allford

Miss M E Howard Margaret E. Howard

) **Council Members**

1 ACCOUNTING POLICIES

(a) **Accounting convention**
The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are as follows.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from producing a cash flow statement, on the grounds that it is a small company.

(b) **Incoming resources**
All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated equipment and journals are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers. No incoming resources have been recognised net of expenditure.

(c) **Depreciation**
Depreciation is provided at rates calculated to write off the cost less estimated residual value of fixed assets over their estimated useful lives as follows:

Office furniture and equipment	-	15% reducing balance
Computer equipment	-	33.3% straight line

(d) **Stocks**
Stocks are stated at the lower of cost and net realisable value, cost being the cost incurred in bringing the stock to its present location and condition. Net realisable value is based on estimated selling price.

(e) **Operating leases**
Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged as incurred.

(f) **Cost of activities in furtherance of the charity's objects**
This comprises all expenditure directly related to the objects of the charity.

(g) **Managing and administering the charity**
This comprises all expenditure relating to compliance with constitutional and statutory requirements and other costs which cannot be treated as direct charitable expenditure.

(h) **Cost of generating funds**
This comprises all expenditure relating to raising funds for the charity.

(i) **Allocation of costs**
Staff costs are allocated on the basis of time spent.

2 CONSTITUTION OF THE COMPANY AND MEMBERSHIP

The company is limited by guarantee, and each member is under covenant to contribute a sum not exceeding £1 in certain circumstances as set out in clause 8 of the Memorandum of Association.

At 31st December 2002, the Friends of Ludhiana had 282 members (2001: 290).

3 COUNCIL MEMBERS' REMUNERATION

No council members received any emoluments. During the year travel expenses of £860 (2001: £516) were met for one member.

4 TOTAL RESOURCES EXPENDED

	Unrestricted Funds £	*Restricted Funds* £	*Total 2002* £	*Total 2001* £
Cost of generating funds				
Staff costs	4,627	-	4,627	4,427
Publicity and promotions	2,443	-	2,443	3,026
	7,070	-	7,070	7,453
Cost of activities in furtherance of the charity's objects				
Support funds to India	-	39,179	39,179	94,611
Volunteer support, CMC staff travel and equipment	3,844	-	3,844	2,396
Staff costs	19,259	-	19,259	20,708
Premises costs	6,814	-	6,814	6,179
Other costs	6,597	-	6,597	6,546
	36,514	39,179	75,693	130,440
Donated equipment	-	46,311	46,311	-
Managing and administering the charity				
Accountancy	1,575	-	1,575	1,500
Total resources expended	45,159	85,490	130,649	139,393

5 NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR

	2002 £	*2001* £
This is stated after charging:		
Reporting accountant's remuneration	1,575	1,500
Depreciation	537	577
Loss on disposal of fixed assets	-	253

6 STAFF COSTS

	2002 £	2001 £
Wages and salaries	21,750	23,250
Social security costs	1,507	1,885
Pension contributions	630	-
	23,887	25,135

The average weekly number of employees during the year was made up as follows:	No	No
Administration – part time	-	1
– full time	1	1

7 TANGIBLE FIXED ASSETS

	Office furniture and equipment £	Computer equipment £	Total £
Cost			
At 1st January 2002	3,374	3,378	6,752
Disposals	-	(1,350)	(1,350)
At 31st December 2002	3,374	2,028	5,402
Accumulated depreciation			
At 1st January 2002	3,137	2,876	6,013
Provided during the year	35	502	537
Released on disposals	-	(1,350)	(1,350)
At 31st December 2002	3,172	2,028	5,200
Net book value			
At 31st December 2002	202	-	202
At 31st December 2001	237	502	739

8 STOCK

	2002 £	2001 £
Stationery and brochures	292	404

9 DEBTORS

	2002 £	2001 £
Other debtors	3,471	2,035
Prepayments	929	749
	4,400	2,784

10 **CREDITORS**: Amounts falling due within one year

	2002 £	*2001* £
Current instalments on interest-free loans	-	79
Taxes and other social security costs	579	610
Other creditors	915	66
Accruals	2,905	2,127
	4,399	2,882

11 **NET ASSETS**

The balances carried forward on the various funds are held as follows:

	Tangible fixed assets £	*Net current assets* £	*Total 2002* £	*Total 2001* £
Unrestricted funds	202	54,854	55,056	58,622
Restricted funds	-	23,961	23,961	20,805
	202	78,815	79,017	79,427

12 **UNRESTRICTED FUNDS**

	Balance at 1st January 2002 £	*Incoming resources* £	*Resources expended* £	*Transfers between funds* £	*Balance at 31st December 2002* £
General	35,198	36,708	(45,159)	9,842	36,589
Legacy	23,424	4,885	-	(9,842)	18,467
	58,622	41,593	(45,159)	-	55,056

13 RESTRICTED FUNDS

	Balance at 1st January 2002 £	*Incoming resources* £	*Resources expended* £	*Balance at 31st December 2002* £
Donated equipment	-	46,311	(46,311)	-
Pushpa Bhatti Fund	2,181	44	(84)	2,141
Dr B Cowan	433	-	(21)	412
BMS World Mission	-	2,500	(2,500)	-
Urology Special Fund	191	462	(482)	171
CMC Crèche	100	-	(100)	-
Nurses' sponsorship	2,632	3,184	(3,329)	2,487
Free care and low cost treatment ward	177	699	(743)	133
Housing appeal	1,137	5,222	(5,951)	408
Fellowship Department	25	500	(425)	100
Medical camps	505	14	(505)	14
Urology sponsorship	115	-	-	115
Director's UK Fund	2,565	2,506	(4,177)	894
X-ray Department	71	-	(71)	-
Legacies for CMC	106	1,200	(1,306)	-
D Forbes	1,089	3,564	(3,752)	901
Accident & Emergency/Trauma Centre	28	-	(28)	-
Charity Clinic	5,808	5,200	(10,677)	331
Department of Social & Preventative Medicine	2,200	-	(2,200)	-
Gujarat Medical Relief	1,442	-	(1,442)	-
Dietary Department	-	100	(100)	-
Harbans Dhillon prizes	-	160	(160)	-
College of Nursing	-	26	(26)	-
Medical Student – A P Acharya	-	1,920	(1,100)	820
Poor cancer patients	-	7,155	-	7,155
Cancer Department	-	400	-	400
Neurology – Registry of Epilepsy & Pregnancy	-	200	-	200
Joseph Mathew Fund	-	333	-	333
Nurses' accommodation	-	4,870	-	4,870
Poor Patients' Fund	-	641	-	641
Dr Betty Hobbs' Memorial Fund	-	635	-	635
Dental College	-	300	-	300
Medical College	-	500	-	500
	20,805	88,646	(85,490)	23,961

These funds are maintained for the following purposes:

Donated equipment - To receive and pass on donations of medical equipment, books and journals.
Pushpa Bhatti Fund - Capital amount held on deposit in the UK, and the interest to be used for the benefit of pupils at St Thomas' School, Ludhiana.
Dr B Cowan - To be used for projects in which Dr Cowan is involved.
BMS World Mission - To be used at the discretion of the Director of CMC Ludhiana.
Urology Special Fund - To be used for the benefit of patients in the Urology Department.
CMC crèche - To be used by the CMC crèche (for children of staff members).
Nurses' sponsorship - To be used for the tuition fees of BSc(N) and GNM students in the College of Nursing.
Free care and low cost treatment ward - To be used for benefit of patients on this Ward who are unable to pay costs associated with their treatment.
Housing appeal - To be used in the construction of apartments for members of CMC staff.

(continued)

13 **RESTRICTED FUNDS** (continued)

Fellowship Department	- To be used for the benefit of the Fellowship Department at CMC Ludhiana.
Medical camps	- To be used towards the cost of free medical camps conducted by CMC Ludhiana in villages with limited or no access to health care.
Urology sponsorship	- To be used for the sponsorship of a member of staff of CMC Ludhiana to attend a Urology course in the UK.
Director's UK Fund	- To be used at the discretion of the Director of CMC Ludhiana according to his priorities.
X-Ray Department	- To be used for the benefit of the X-Ray Department at CMC Ludhiana.
Legacies for CMC	- To be used for the general purposes of CMC Ludhiana.
D Forbes	- To support Dr David Forbes (Finance Manager) and his family whilst they are serving at CMC Ludhiana.
Accident & Emergency/ Trauma Centre	- To be used towards the provision of new Trauma Centre and Emergency Room facilities at CMC Ludhiana.
Charity Clinic	- To be used in support of a Charity Clinic for the benefit of Rickshaw Pullers and others unable to pay costs associated with a consultation.
Department of Social & Preventative Medicine	- To be used for the benefit of the Social & Preventative Medicine Department at CMC Ludhiana.
Gujarat Medical Relief	- To be used in support of medical relief teams travelling to Gujarat following the earthquake in January 2001.
Dietary Department	- To be used for the benefit of the Dietary Department at CMC Ludhiana.
Harbans Dhillon prizes	- To be used to give prizes to medical and nursing students at CMC Ludhiana in memory of Dr Harbans Dhillon.
College of Nursing	- To be used for the benefit of the College of Nursing at CMC Ludhiana.
Medical Student (Alok Prakash Acharya)	- To be used towards the tuition and other fees of the named medical student studying at CMC Ludhiana.
Poor cancer patients	- Given from the estate of the late Mr Paul Gill to be used for the treatment of poor cancer patients.
Cancer Department	- To be used for the upgrading of the cancer department.
Neurology – Registry of Epilepsy & Pregnancy	- To be used by the Division of Neurology at CMC Ludhiana for this project.
Joseph Mathew Fund	- To be used towards the medical treatment of Dr Joseph Mathew, a member of staff at CMC Ludhiana.
Nurses' accommodation	- To be used towards the provision of better living accommodation for nurses at CMC Ludhiana.
Poor Patients' Fund	- To be used for the benefit of poor patients at CMC Ludhiana.
Dr Betty Hobbs Memorial Fund	- To be used at the discretion of the Director of CMC Ludhiana.
Dental College	- To be used for the benefit of the Dental College at CMC Ludhiana.
Medical College	- To be used for the benefit of the Medical College at CMC Ludhiana.

14 **COMMITMENTS UNDER OPERATING LEASES**

At 31st December 2002 the company had commitments for payments in the following year under non-cancellable operating leases as set out below:

	2002	***2001***
	£	**£**
Land and buildings		
Operating leases which expire – in the second to fifth years	5,898	5,898

The December 2001 rent review is not yet concluded and the next rent review is due in December 2003.

15 TAXATION

The company is exempt from taxation in accordance with Section 505 of the Income and Corporation Taxes Act 1988.

16 DONATED EQUIPMENT

This comprises equipment and journals given to and sent out by the company.