Bhopal Medical Appeal

Annual Report and Financial Statements

31 December 2016

Company Limited by Guarantee
Registration Number
5826888 (England and Wales)

Charity Registration Number
1117526 (England and Wales)

Charity Registration Number
SCO43904 (Scotland)
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Reference and administrative details of the charity, its trustees and advisers

**Trustees**
Vincent Laurie Macpherson Flynn (Co-Chair),
Eurig Scandrett (Co-Chair)
Tim Patrick Edwards (Managing Trustee)
Meredith Alexander (Resigned 29 May 2016)
Mike Embley (Appointed 17 October, 2016)
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Dr Chandana Mathur
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**Company registration number**
5826888 (England and Wales)

**Charity registration number**
1117526 (England and Wales)
SCO43904 (Scotland)

**Auditor**
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Trustees' report Year to 31 December 2016

The trustees present their statutory report together with the financial statements of the Bhopal Medical Appeal (BMA) for the year ended 31 December 2016.

The financial statements have been prepared in accordance with the accounting policies set out on pages 30 to 34 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws 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 United Kingdom and Republic of Ireland (FRS 102), effective from accounting periods commencing 1 January 2015 or later.

INTRODUCTION

Mission/Vision
The BMA mission is: Caring for survivors of the world's worst industrial disaster and for people everywhere suffering from chemically caused illnesses.

The aim of the charity is to:

♦ Alleviate the suffering of people who were directly or indirectly affected by chemical disasters anywhere in the world and in particular, but not limited to, the city of Bhopal in India in the aftermath of the Union Carbide disaster of 3 December 1984 and other places in the world in such manner as the trustees think fit.

And in particular to:

♦ Support the Sambhavna clinic and other facilities in Bhopal which provide health, medical and nutritional approaches that alleviate the suffering of first and subsequent generations of gas-affected individuals and communities;

♦ Support research into major health and economic problems of affected communities, including the inter-generational health effects of the gas;

♦ Foster exchanges and relations with other individuals and communities who can benefit from, or input to, the work at Sambhavna Clinic;

♦ Raise awareness about the situation of communities in Bhopal and other communities suffering from the impacts of industrial pollution;

♦ Support efforts for adequate social, economic and environmental rehabilitation of affected communities in Bhopal, and also efforts to hold Union Carbide and owner Dow Chemical accountable for funding appropriate medical research, monitoring and long term care of victims, including those born after the 1984 disaster; and

♦ Build support for activities to alleviate suffering and prevent future disasters.
INTRODUCTION (continued)

Public benefit
The trustees have had regard to the Charity Commission’s statutory guidance on public benefit and the draft supplementary guidance for consultation and the charity’s activities fall within the guidance.

ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS
The charity undertakes a programme of raising awareness and building up funds to achieve its objectives of supporting organisations in Bhopal. These activities focus particularly on publicising needs in Bhopal and building up a large and loyal group of supporters.

Because work supported by the charity addresses a historical disaster, raising awareness of ongoing and contemporary issues in Bhopal communities is especially critical to the charity’s aims and objectives. To this end, a significant part of the charity’s overall investment in fundraising is utilised in public communications. Performance is measured according to both immediate and medium-term return on investment, recruitment of new supporters and impact upon general public awareness of the issues presented.

Many of the charity’s other activities derive direct benefit from this general public awareness. The charity works to increase direct communication with members of the public in the form of exhibitions, public talks, engagement with supportive organisations and local events work. This activity aims to build on existing awareness, fundraise and recruit new supporters at minimal cost to the charity.

Ahead of the financial year, trustees evaluate the charity’s overall financial performance, assess risks, review audited accounts and budget requests from supported organisations, set targets for the next 12 months and agree forecasts. Management accounts are assessed on a monthly basis and quarterly performance reviewed at trustee meetings. Trustees also decide upon medium and longer-term goals that inform strategic development of the charity’s activities. This year, the charity’s activities included:

Advertising activities
Advertisements placed in the national and specialist press are written in a carefully informative manner by a knowledgeable and experienced consultant. The approach aims to convey detailed information about the history and current situation and needs in Bhopal, and the work being undertaken by the organisations supported by the BMA. This ensures that our role in raising awareness and concern goes hand-in-hand with fundraising activities.

Historically, income generated by national print press advertisements was sufficient to provide a large proportion of the charity’s income and meet its expenditure in supporting organisations in Bhopal. The large decline in circulation figures over the last decade, as well as the large increase in expenditure in Bhopal, has reduced the direct fundraising importance of advertising but not its strategic importance to the charity’s aims and objectives. The vast majority of the charity’s exceedingly loyal group of existing supporters were drawn to the charity through print advertising.
ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS (continued)

Advertising activities (continued)
In 2016 one-page advertisements were carried in the Guardian (circulation of approximately 290,000) and the Telegraph (circulation approximately 597,000). Outreach was extended through inserting fundraising and awareness raising inserts in a wide range of targeted publications including: Resurgence, Tablet, Catholic Herald, The Friend, Ethical Consumer, Earth Matters and Reform.

Responses are assessed and adjustments in advertising and outreach made on the basis of both the level of donations and numbers of new donors reached. In 2016, the BMA spent £19,558 on national press advertising, generating an off-the-page return of £30,443 from 478 respondents, of which 331 were new to the charity. True return on investment is measured over a number of years, though the charity typically expects off-the-page returns to be greater than the initial investment. The response to the charity’s December anniversary advertisement was particularly strong, which demonstrates the continuing value of print advertising even within a general context of shrinking print readership.

BBC Radio Appeal
On 21 August 2016, BBC Radio 4 broadcast an appeal on behalf of the charity as part of the station’s ongoing promotion of national charities. The broadcast was the culmination of several months of work on both the application process and in preparation for the broadcast. In what was a genuine privilege for the charity, venerable former BBC journalist Mark Tully generously offered his time in order to read the appeal. Mr. Tully’s reading was especially salutary given that he was one of the first international reporters to visit Bhopal in the immediate aftermath of the 1984 disaster, and has reported on the disaster’s fallout across three decades. The response to the appeal was striking, with £50,794.75 raised from approximately 800 respondents, of which around 680 contacted the charity for the first time. The charity extends its sincere thanks to both Mr. Tully and the BBC team for providing such a valuable opportunity to reach a large and receptive audience with news of the charity’s continuing activities.

Supporter development
The charity works hard to maintain a personal link with its supporters, particularly those who wish to raise funds to contribute and raise awareness of the problems. Many supporters raise funds on a regular basis, and others undertake great trials and testing activities to contribute to the work of the charity. The BMA always endeavours to stay in touch with supporters to thank them for their effort and commitment to the charity and to encourage further fundraising activities in the future.
ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS (continued)

Supporter mailings
In 2016 the BMA mailed two letters to supporters. In Spring, supporters were sent a letter suggesting ideas for events fundraising and offering assistance for those supporters looking to organise events. Though the letter was not a direct appeal it raised approximately £6,000 in donations and prompted a number of groups to consider holding events on behalf of the charity. The summer mailing extended a personal invite from the managing trustee of the Sambhavna clinic in Bhopal for supporters to attend and take part in the clinic’s 20th anniversary celebration in September. The mailing also invited supporters to sign a petition published on the White House ‘We the People’ website drawing attention to the U.S. government’s failure to fulfil its responsibility to serve documents upon Dow Chemical in the matter of a summons to the Bhopal criminal proceedings. The mailing drew a positive response from supporters, with a number expressing a strong interest in travelling to Bhopal. Though the mailing again did not make an express appeal, it raised approximately £30,000 in funds in support of the charity’s work. In addition to physical mailings, the BMA also produces an e-newsletter containing updates on the charity’s work and general developments concerning Bhopal which is emailed to just under 5,800 supporters each month. The emails generated around £3,000 in direct donations over the course of the year.

Database development
The BMA finance officer liaises closely with the donor relations manager in order to continually improve the accuracy, flexibility and reporting capability of the database. In 2013, the BMA recruited a database fundraiser in order develop strategic approaches to utilising the database. Responses to the summer 2015 mailing, which strategically targeted ‘lapsed’ supporters, enabled the charity to streamline the database, thereby saving on postage and printing costs in future direct mailings. The BMA also benefitted from regular expert volunteer input. At the end of 2016 the database recorded that the BMA has registered approximately 22,158 supporters, with approximately 590 contacting the BMA for the first time in 2016.

Website
The charity’s website has an in-house editor and is regularly updated with news stories, blogs and current information. The site generally receives an upsurge in visitors during times of public appeals or when news concerning Bhopal breaks in print or digital media. The BMA uses blogs, social media and networking sites such as Twitter, Facebook, YouTube, Instagram and Flickr to reach a wider audience and encourage new supporters. Several of these social media platforms receive a substantial increase in interest and activity during the Bhopal anniversary period. In 2014, the BMA undertook to redesign the existing website ahead of the 30th anniversary of Bhopal. The new website offers a simpler, clearer and more visual interface, with better overall accessibility to new and existing content, which was substantially added to throughout 2016.
ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS (continued)

Legacies
In Spring of 2011, the BMA wrote to supporters, introducing the idea of making a legacy commitment in the future. A number of supporters received follow up calls. The overall response was very positive, and led to a number of immediate donations, though it was anticipated that the true benefits of the legacy mailing would only be seen over time. The BMA received legacies totalling approximately £1,600 in 2016.

Glastonbury Festival
In 2016 the charity continued its traditional work engagement with Glastonbury festival, organising a group of 86 litterpickers of which every litterpicker completed each of their shifts. Additional donations during the festival raised the total funds gained to £16,500 — our second most successful amount ever. Thanks go to Matt Kay who represented the BMA on site. The BMA will continue its engagement with Glastonbury in 2017 and aims to expand the number of litterpickers it supports in the future.

Running for Bhopal
In 2016, 9 runners in all took part in the ASICS British 10k London Run on behalf of the BMA. Our thanks to all those who helped fundraise and support runners on the day. Our runners included John Wallis, who has remarkably completed every 10k the charity has entered and who also ran the Brighton marathon for the charity this year. Volunteers on the day included Nigel, Vicki and Chloe Langford, who have helped run the picnic for many years along with Mohibul Haque, from the Al-Amin restaurant in Bethnal Green, London, and his friend Michael Debden. A group of 3 runners also took part in the Brighton Half Marathon on behalf of the BMA, and 6 runners completed the full Brighton Marathon for the charity. In addition, 7 runners entered the Hackney Half Marathon, and individual runner Paige Richardson completed the London Marathon on behalf of the charity. The BMA aims to ensure that fundraising runs remain regular events, consolidating or increasing the numbers of runners each year where possible.

Letter Writing
Following news in late 2015 of the forthcoming merger of Dow Chemical and DuPont Nemours, the charity wrote to officials of the EU’s antitrust division setting out competition concerns resulting from the companies having omitted mention of pending Bhopal legal liabilities from official merger documents. A related letter was sent to the office of the United Nations Secretary General, and other appropriate offices.
ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS (continued)

Shareholder resolutions
In the Autumn of 2013, the BMA worked in an advisory capacity with shareholders and investors of Dow Chemical and their advocates with the aim of raising concerns about the overall impact of Bhopal before the company’s Annual General Meeting in 2014. The work revealed the impact of the Olympics campaign upon Dow Chemical, whose corporate brand rating has fallen 300% over the preceding five years. It was also revealed that Dow had lost, by its own reckoning, at least $300 million through lost investment opportunities in India due to Bhopal campaigners. Arguing implausibly that Bhopal had had no “financial, operational or reputational impact” upon it, Dow successfully excluded the resolution from the proxy of its 2014 AGM, a move publicly criticised by co-filers Amnesty and Calvert Investments. The BMA continued to work in an advisory capacity with shareholders and investors of Dow Chemical to assist on a proposed shareholder resolution for the 2015 Dow Chemical AGM. However, once more Dow Chemical successfully argued for the resolution to be excluded from the proxy for its 2015 AGM. In 2016, the BMA also supported efforts to inform shareholders and investors of both Dow Chemical and DuPont Nemours of pending liabilities deriving from the Bhopal disaster. The effort was in response to a plan of merger announced by both companies in late 2015. The BMA will continue to advise shareholders and investors in Dow concerned about Bhopal.

In line with the charity’s commitment to work with other communities impacted by pollution, the charity offered voluntary support to representatives of mercury affected communities in Kodaikanal, who took part in lobbying shareholders at Unilever’s AGM in spring 2016.

Trade Union collaboration
Following the 2014 30th anniversary trade union delegation led by trustees Kathy Jenkins and Euirg Scandrett, ‘Trade Union Friends of Bhopal’ (TUFB) was established with a remit to continue and deepen solidarity work between UK trade unions and Bhopal survivors, as well as other victims of toxic industries, corporate crime and occupational and environmental hazards. The work of TUFB has continued this year, including the STUC hosting a memorial event in Glasgow on the anniversary of the disaster. A number of Scottish and English trade union branches subsequently signed up to TUFB’s affiliation scheme and the charity has so far received £1,742 in affiliation fees due to the scheme.
ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS (continued)

Public talks
The charity’s Managing Trustee took part in a film showing and Q&A at the Ritzy Cinema in Brixton, London on March 6, 2016. The event was organised in conjunction with photographer Francesca Moore as part of her ‘Bhopal: facing 30’ project. On April 3, the Managing Trustee was invited to speak to congregations at Oakham and Somerby Methodist churches in Rutland, Leicestershire about the rehabilitation work taking place in Bhopal. The talks were kindly arranged by supporters Ron and Sue Curtis. On June 26, the charity’s co-chair Laurie Flynn travelled to Aberdeenshire to address a special service for the charity held at Inverurie church, whose congregation undertook a number of fundraising events on behalf of the charity over the course of the year.

Schools programme
In 2013 the charity began a series of presentations and workshops in schools, designed to illuminate aspects of the Key Stage 4 National Geography curriculum for 15 year-olds. The workshop focusses on the environmental impacts of rapid urbanisation in developing countries. The first workshop, held on 2 May 2013, took place at Dorothy Stringer School, Brighton and involved over a hundred young people. The charity gained extremely positive feedback, leading to another workshop event in Hove Park School in September and a presentation and discussion at BHASVIC before the Brighton and Hove branch of the Geographical Association in December. The programme has continued, and the latest lecture/workshop was held at Dorothy Stringer School on 11 February 2016, which once again led to students choosing the BMA for work experience placements. The charity hosted three students in July 2016. We are delighted that all of the students felt they had gained from the experience, and that two of the students subsequently performed as part of a trio at our December Bhopal memorial concert in Brighton. During the first week in April, the charity’s campaign manager presented a talk to students of Ryde School on the Isle of Wight. The event was part of a special ‘Bhopal Week’ held by the school, which incorporated fundraising events, screenings and a talk by the charity’s campaign manager. The charity aims to maintain and develop the programme of school outreach in the future.

White House Petition
During the first half of 2016, the charity supported the work of Bhopal survivor groups in publishing a petition on the White House ‘We the People’ website which drew attention to the U.S. government’s failure to fulfil its legal responsibility to serve documents upon Dow Chemical concerning a summons to the Bhopal criminal proceedings. Outreach was performed across social media channels and within direct mailings to supporters in order to help achieve the target of 100,000 signatures required to mandate an official response from the US government. The target was reached and exceeded but the US government eventually declined to address the specific concerns of the petition in order, it said, ‘to avoid the appearance of improper influence’.
ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS (continued)

Photographic and Art Exhibitions
The charity displayed an exhibition of “street art” opposite the White Cube Gallery at a café on Bermondsey Street in London for several months in 2015, leading to sales and public exposure for the charity. The exhibition moved to another café in London’s vibrant Bethnal Green Road towards the end of 2015. The exhibition continued in place for much of 2016, and was actively promoted by the café upon social media.

In December 2015, the charity supported Getty photographer Giles Clarke in undertaking a photographic study of the second and third generation of Bhopal victims. Giles’ photographs were subsequently nominated within the 2016 SONY World Photography Awards, and were exhibited at Somerset House, London, between 21 April – 8 May. The project also gained recognition as a finalist at the Head On Portrait Prize 2016 at the Museum of Sydney, Australia from 30 April to 5 June, and also won an Allard Prize for Photography, awarded biennially to individuals, movements or organizations that demonstrate exceptional courage and leadership in combating corruption and protecting human rights.

Yoga For Bhopal
In spring 2016, charity supporter and author Meaghan Delahunt initiated an event called Yoga for Bhopal in honour of the Sambhavna Clinic’s yoga treatment programme. The charity supported the initiative’s evolution with administrative and online promotional work.

Sambhavna & Chingari Trust 20th and 10th anniversary celebrations
In early September, the charity’s Managing Trustee took part in special events held in Bhopal to celebrate remarkable anniversaries marked by both Sambhavna Trust and Chingari Trust, the charity’s chief beneficiaries. Sambhavna’s joyous 20th anniversary event involved exhibitions, dance, poetry, song and speeches, but also more sobering news of the results of community medical studies that have established cancers to be highly prevalent in gas affected areas of the city, at levels some ten times standard national rates. The following day staff and service users of both trusts took part in a three-hour public discussion with two of the charity’s trustees. The event brought local experiences together with international support in order to help facilitate mutual understanding and awareness, and included a wide range of questions and a number of deeply touching contributions. For their 10th anniversary event, Chingari staff and children put on a spectacular series of performances of dance, music and spoken word, punctuated by speeches from staff, guests and trustees. The events were inspirational, each affirming the extraordinary, positive change made possible by compassionate, shared endeavour.
ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS (continued)

32nd Anniversary Music Concert
The charity's fifth annual Music for Bhopal concert took place on 3 December 2016 at St Michael & All Angels Church in Brighton. It was a great opportunity for BMA staff to get together with local supporters. The evening began with Handel's Flute Sonata in G major beautifully performed by three students from Dorothy Stringer school, Brighton. Duo Nicole Le Clercq (flute) and Adam Le Clercq (piano) treated the audience to lilting music by Fauré, Copland and Martinú. Adam also performed a repertoire of songs for the countertenor voice, accompanied by Paul Moon on piano. Our thanks to these talented musicians for a wonderful evening's entertainment.

Volunteers
The BMA wishes to thank the volunteers who helped in generous and imaginative ways to raise awareness and funds for the BMA during 2016. As ever, these include the redoubtable Gudrun Hansen, who yet again donated huge amounts of her time working in our office, and also many others who have been active around the country.

For events fundraising we are proud and appreciative of all endeavours to help expand our resources. Many organisations supported us throughout the year including church and other faith groups, trade unions and schools. We thank them all for their hard work. Special mention simply must go to Inverurie West Church, who supported the charity throughout 2015 and well into 2016. Their fundraising, awareness and education programme on the Bhopal disaster was a project of the Junior Church at Inverurie West but also eventually involved a much wider section of the church and local community. The young people began fundraising in 2015 by undertaking a sponsored walk around Inverurie, which drew considerable local support. They later made Christmas Crafts and Cards from recycling everyday objects – pencil pots from decorated tin cans; reindeer fridge magnets from clothes pegs and pipe cleaners; 'star' hanging decorations from lollipop sticks; fairies from scraps of material etc, and sold them at a Christmas Craft Stall. A church member, also a Yoga Tutor, held a yoga session one Saturday morning. A local herbalist gave a guided walk along the bank of the River Ury, pointing out the herbs and plants and explaining their medicinal properties. One local lady provided paying guests with an Indian buffet feast, followed by games and a quiz. On 27 February the Nandanam Dance Troupe from Aberdeen performed for the project, with food contributed by a local Indian restaurant in an event that raised over £1,000 on the night alone. Finally, the congregation invited the BMA to attend a special service held on Sunday 26 June in order to collect a cheque for £3,250. Co-chair Laurie Flynn had a wonderful experience meeting families and organisers, especially the children's children. The events inspired us to write to MSP's Alex Salmond and Gillian Martin. Our sincere thanks to the children, to Biff Barrow, her colleagues and the entire congregation at Inverurie for all their hard work to create such an inspirational series of events. We also offer our very best wishes to the Minister for a long and happy retirement.
ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS (continued)

Volunteers (continued)
Our thanks also to Ron and Sue Curtis of Somerby and Oakham churches, who in 2015 nominated the BMA as their charity of the year. Their first fundraising event took place in October with well-known local photographer Richard Adams, followed by a concert by the Melton Mowbray Male Voice Choir. The BMA's Managing Trustee addressed congregations of both churches on 3 April, and Ron, Sue and others helped raise over £1,000 in total. Also our thanks to Olivia Dell, who continued to hold special Peg Doll workshops and parties in aid of the BMA, just as she did in 2015. On 23 July, Dominique Hudson organised a tabletop sale/display at this year's LeftFest Festival in Southampton. In August, loyal supporter Fiona Mackey successfully completed a major fundraising initiative for the Chingari Rehabilitation Centre, this time walking the 62 miles from her home in Oxford to the source of the River Thames at Kemble over seven days and raising a stunning £2,645 through appeals to friends and by writing an in-depth account of her Thames Path walk day-by-day. On 12 November, another of our remarkable long-term supporters, Fiona Case, staged an evening of music and dance at Pilton Working Men's Club & Village Hall, Shepton Mallet, involving the Flaming Feathers Burlesque Troupe, Eko Trio (acapella singers), T' Social Club (blue grass band), Karen & Johnny (blues & folk), plus the Village Voices Choir singing a powerful version of 'Breathe Fire'.

Our heartfelt thanks go to all volunteers, in whatever role. It is by hundreds and thousands of small gestures of support and contributions that first free medical care for Bhopal survivors has been established and sustained for over two decades.

Grants and Trusts
The charity also wishes to express sincere gratitude to the numerous trustees of grant-making bodies who elected to make awards to contribute to our support of critical health work in Bhopal. The grant-making and trust bodies included: C B & H H Taylor 1984 Trust; Clark Charitable Trust; Dorcas Trust Development Limited; Oliver Stanley Charitable Trust; The Cauda Trust; Paget Trust; Ericson Trust; Hugh Symons Charitable Trust; Westcroft Trust; The Eva Reckitt Trust Fund; Geoffrey H Roper Esq; Miss K M Harbinson's Charitable Trust; Eleanor Rathbone Trust; and The Roger Vere Foundation.

GRANT-MAKING POLICY
The charity supports organisations in Bhopal which provide health and other support to those suffering as a result of the 1984 disaster. The charity does not consider or acknowledge unsolicited applications, but invites applications from relevant organisations in Bhopal, and others seeking to alleviate the suffering of communities exposed to chemical hazards. The procedure requires a short application indicating the work for which funding is requested along with the latest annual report and financial statements of the applicant. Once an application has been received, the grants panel will meet to review the request and make a decision, or request additional information, within four weeks. A short report of activities is requested at the end of the grant period, or at intervals during the grant period.
GRANT-MAKING POLICY (continued)
An estimated 120,000-150,000 survivors of the disaster are still chronically ill. Over 23,000 have died of exposure-related illnesses and more are dying still. Tens of thousands of children born after the disaster suffer from growth problems and far too many teenage women suffer from menstrual disorders. Tuberculosis is several times more prevalent in the gas-affected population and cancers of the lung, throat, mouth and abdomen are running at ten times national rates. The failure of the official system of health care contributes to the medical disaster in Bhopal. Government-sponsored research and monitoring of the long-term health effects of Union Carbide’s gases was abandoned in 1994 and has been only partially and unsatisfactorily revived in recent years. Official research agencies have since reportedly lost nearly 80% of their original cohort, undermining long-term health monitoring. So far, no treatment protocols for symptom complexes associated with toxic exposure have been established and symptomatic treatment remains the mainstay of the medical response. The indiscriminate prescription of steroids, antibiotics and psychotropic drugs compounds the damage caused by gas exposure.

During 2016 grants were made to Sambhavna and Chingari Trusts in Bhopal, two organisations intent on rational, modern, community-focussed and participatory approaches to helping remedy the various health, social and environmental consequences of Union Carbide’s ongoing disaster in Bhopal.

Sambhavna Trust
The BMA has a long-standing commitment to support the work of the Bhopal People’s Health and Documentation Centre, run by the Sambhavna Trust in Bhopal. The Sambhavna Trust is a charity, whose trustees include eminent doctors, scientists, writers and social workers. Sambhavna has shown that it is possible to evolve simple, safe, effective, ethical and participatory ways of treatment monitoring and research for the survivors. Survivors are offered free medical care through modern medicine, ayurveda (an indigenous system of medicine based on herbs) and yoga. The staff numbers approximately 60 (among whom over 20 are survivors themselves) and includes: five physicians; an ophthalmologist; two yoga and two Panchakarma therapists; and a group of community health workers who carry out surveys, health education and community organisation for better health. Over 100 community volunteers also work with Sambhavna staff to improve public health measures within 20 communities and are thus effectively dealing with diagnostic, preventive and curative aspects of diseases and conditions such as TB, Malaria, Cervical and breast cancer, Anaemia, Menstrual irregularities and others. Sambhavna is small compared to the magnitude and complexity of the disaster, but its clinic provides efficacious treatment to many survivors, supporting them through health initiatives in communities close to the site of the old Union Carbide factory.

The BMA contributed £246,963 to the running costs of the Sambhavna Trust in 2016 (2015 - £186,067).
Trustees' report Year to 31 December 2016

GRANT-MAKING POLICY (continued)

Chingari Trust
This all-woman trust was begun by two award-winning women, themselves gas-affected. It works with women survivors of the disaster and with children suffering from health conditions such as congenital malformations and brain damage to hearing impairment. In 2008 it began a new initiative to provide a community-based rehabilitation centre for children born with disabilities to parents affected by gas and water-contamination in order to support the growth and development of these children. Chingari has found that the number of children with varied disabilities has been increasing exponentially in the gas and water-contaminated areas of Bhopal. In 2011 the work of the Rehabilitation Centre expanded significantly and Chingari is now providing a specialist centre with services targeted to meet the needs of children with different disabilities. The Centre is now able to treat approximately 190 children per day. In 2012, Chingari began a nutritional programme to ensure that all children attending the centre receive at least one square meal per day. It is creating awareness of the rights of disabled, training community based workers and promoting inclusive education for children who are currently unable or unlikely to access education.

The BMA contributed £102,671 to the running costs of Chingari Trust in 2016 (2015 - £84,753).

FINANCIAL REVIEW

Results for the year
Income from donations and legacies and other trading activities amounted to £548,296 in 2016 (2015 - £716,938), which represents a decrease of £168,642 on the previous year. The decrease reflects the absence of significant legacy gifts compared to the previous year. The BMA received legacies of £1,600 during the year (2015 - £226,024). Investment income for the year increased to £743 from £676, resulting in total income of £549,039 (2015 - £719,159). This represents an overall decrease of 24%. The BMA made a grant to Sambhavna Trust of £246,963 in 2016 (2015 - £186,067), an increase of £60,896, or 33% on 2015, due in part to annual interest rate rises in India and a periodic salary review. A grant of £102,671 (2015 - £84,753) was also made to Chingari Trust, an increase of £17,918 or 21% over 2015, which includes recruitment of additional staff and expanded services.

An important objective of the BMA is to ensure that accurate information is disseminated widely in the UK and elsewhere about the social, economic and health problems still encountered by survivors and future generations. Our awareness and educational work is critical to ensure ongoing support for work in Bhopal and approximately £87,831 (2015 - £119,551) was dedicated to this during 2016, which covers staff costs, advertising, publications and some campaign activities. This amounted to a decrease of 27% on 2015’s expenditure.
FINANCIAL REVIEW (continued)

Reserves policy
As explained above the charity carries out a diverse range of activities, some of which comprise short-term and externally funded projects whilst others comprise long-term projects requiring significant ongoing financial commitment and investment.

The trustees have examined the requirement for free reserves, i.e. those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of the charity’s work, the charity should aim to hold free reserves equivalent to the cost of running the Sambhavna Clinic and Chingari Trust for up to 9 months and for up to 6 months of expenditure for salaries and organisational costs of the UK office.

This would enable both the Clinic and the Trust to continue to provide free services and treatments to their registered users for another 9 months if for any reason the charity closed down. Additionally, it would allow them the time and resources to explore other sources of funding without immediately affecting ongoing patient care. Currently those combined costs are £330,402 (2015 - £264,944). The trustees are of the opinion that this provides sufficient flexibility to cover temporary shortfalls in incoming resources due to the timing differences in income flows, adequate working capital to over core costs, and will allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented.

Investment policy
As it is currently the trustees’ intention to apply all funds within a relatively short time scale, the charity does not at present make investments which would expose the capital sums to risk. Funds held for the purpose of making grants are placed in deposit accounts which yield interest at rates commensurate with current market rates.

Financial position
The balance sheet shows total funds of £120,134 (2015 - £208,805), all of which except £207 are unrestricted and hence considered to be free reserves. Whilst free reserves fall short of the balance required per the agreed reserves policy as noted above, the trustees acknowledge that the balance is arrived at after making full provision for the main grants payable to Sambhavna Clinic and Chingari Trust for the coming year and cash balances at the year end amounted to £451,391 (2015 - £388,009).

As mentioned below, the principal risk facing the charitable company is its ability to generate sufficient income to cover expenditure incurred in fulfilling its objectives.
FINANCIAL REVIEW (continued)

Financial position (continued)
Grant requirements of supported organisations, which have generally risen each year according to inflation, are being actively reviewed on an on-going basis. A more detailed monitoring and evaluation of efficiency and appropriateness in use of funds is being developed. In order to support growth in the size of grants tendered to supported organisations over the last five years, the trustees have overseen a reduction of staffing levels and a reduction of operational overheads, both of which are subject to regular review.

Reductions in operational spending have not negatively impacted upon the charitable company's ability to generate income. Activities across 2011/12 significantly developed public awareness of its work and engagement with its own supporters. In 2012, the charitable company began a programme to consolidate this enhanced public profile, involving deeper public education and outreach, committed giving appeals, relationship fundraising and Trust and Foundation partnerships. Consequently, in 2013 and 2014 the charitable company generated increased levels of income sufficient to meet the generally increased expenditure upon grants.

In both 2015 and 2016, the charity further reduced fundraising and awareness raising costs while again increasing expenditure upon grants. The trustees confidently expect that development of this programme over the course of 2017 will sufficiently increase the charitable company's income to meet necessary expenditure. If, however, income were to fall short of expectations, trustees will at regular intervals give careful consideration to further adjusting the levels of expenditure intended for the charity's activities.

The trustees have therefore reviewed the cash position of the charitable company and cash forecasts at the date of signing the accounts and are satisfied that the charitable company will be able to meet all of its financial commitments. As a consequence the trustees believe that the charitable company is well placed to manage its financial risks successfully and that the charitable company has adequate reserves to continue in operational existence for the foreseeable future. Accordingly the trustees continue to adopt the going concern basis in preparing the accounts.

FUTURE PLANS
The BMA's immediate goals are to provide core financial support to organisations in Bhopal for the forthcoming financial year. Targets and budgets aimed at meeting this goal are set before the onset of the financial year. Requirements of the supported organisations are under regular review. Recent years have witnessed a modest though steady increase in organisational costs due to development and expansion of available services. The BMA welcomes this and seeks, in the medium-term, to grow its resources in order to be able to meet these extended needs. Differing inflationary environments in the UK and India, where inflation is typically at 12% or more, also necessitate an increased financial commitment from the BMA in the medium-term. Additionally, 2016 saw larger organisational costs due to a five-yearly salary review. Targets and planning reflect this additional commitment, and the BMA seeks to enhance its fundraising while finding ways to reduce the investment cost of these activities.
FUTURE PLANS (continued)
Strategic long-term goals of the BMA include development of a "seedcorn" fund from annual budget surpluses to invest in new fund and awareness raising projects, developing cooperation and affiliations with grassroots and community organisations, educational establishments and trade unions and emphasising connections with other environmental, medical, legal and development issues nationally and internationally. Future financial risks to the charity are regularly assessed and mitigation strategies developed. Because the charity sends a substantial amount of funds to India each year, a major risk factor outside of the charity's control concerns the fluctuation in foreign exchange rates and the long-term value of sterling. This risk increased significantly in 2016 due to the impact of the Brexit vote on the value of sterling. In order to offset this risk, the charity aims to hold reserves sufficient to meet a percentage decrease in the exchange value of its reserves.

The core activities of the BMA are set out above with details of activities undertaken in 2016. During 2017, BMA will be working to:

♦ continue to raise funds to ensure stability for expanded activities in Bhopal;
♦ raise the profile of the BMA via public information work, the website and expanded use of social and media networking to increase donations from these outlets;
♦ initiate one high profile digital campaign to raise awareness and increase the number of available supporters;
♦ maintain a programme of high profile, well-targeted advertisements and inserts that aim to raise awareness as well as funds;
♦ send two major newsletters to supporters, in addition to short updates, using email as much as possible;
♦ continue to develop committed giving by making a strong, express appeal for increased commitment;
♦ expand the number and activities of supporter groups;
♦ explore new streams of funding from appropriate grant making bodies;
♦ continue to develop new alliances with sympathetic groups and individuals and reaching new audiences;
♦ continue an educational programme designed to fit within the national curriculum, but also increase activity in primary age schools, with a focus on fundraising activities;
♦ develop a programme of targeted fundraising events local to the BMA and additional to existing events; and
♦ expand support to target organisations in Bhopal.
Trustees’ report Year to 31 December 2016

FUTURE PLANS (continued)
To achieve these targets the following 2017 activities are planned:

1. Financial and public awareness raising goals
The BMA will continue to consolidate its supporters through a programme of ‘committed giving’ that seeks expanded use of direct debits. To this effect, the charity will send supporters a unique targeted appeal for regular giving. Public awareness and fundraising strategies will continue to employ press advertisements and magazine inserts in both tried and untested publications to reach both new and existing supporters, but will also develop into digital and social media, which provide opportunities to reach wide demographics in a cost-effective way. The BMA will use careful analysis of supporter data to improve fundraising strategies as well as to provide for the needs of supporters. More regular communication with supporters will be undertaken, detailing the work being achieved by supported organisations. A programme of grant and trust applications will be pursued following careful research into relevant bodies, their areas of interest and deadlines. Partnerships with potential funder organisations will be carefully developed, and new alliances sought with church groups, other faith groups, trade unions, yoga centres and student organisations. Fundraising strategies requiring less investment will be prioritised, notably through continuing to encourage web-based donations, greater use of electronic communications, and local supporter activities. An expanded programme of fundraising events local to the BMA will be developed.

2. Awareness-raising activities
The BMA will seek to increase awareness of the on-going plight of Bhopal survivors and those affected by contaminated water supplies. Greater public awareness will be fostered through speaking events and exhibitions. Media work will focus upon significant legal and medical developments and the BMA will continue to cultivate ongoing relationships with editors and journalists holding professional interest in issues Bhopal illuminates. The BMA will also seek to increase its presence in social media networks. There will be a focus on producing uniquely informative insights into the everyday lives of service users in Bhopal to deepen the understanding and commitment of supporters. The BMA will take forward its schools’ project through further developing lesson plans for use in Geography teaching with the aim of reaching a new generation and encouraging pupils to engage in fundraising activities. It will generate events to the best of its capacity to reach a wider section of the population.
FUTURE PLANS (continued)

3. Medical related activities
Bhopal survivors’ organisations successfully campaigned for government agreement to establish an ‘Empowered Commission’ to look into all aspects of rehabilitation of the victims, cleaning-up of hazardous waste lying in the area and providing fresh water to the water affected areas. The BMA supports implementation of these undertakings. The BMA recognises the importance of tackling health problems created by contaminants in the soil and water that are creating new victims, and supports activities to accelerate the clean-up of the site and remediation of the surrounding areas. The BMA will work with Sambhavna and its team of community health researchers to establish a detailed understanding of the epidemiological consequences of exposure to water contaminated with toxic chemicals emanating from the factory; the early findings of a wide-ranging study, the largest independent medical study of exposure to gas and toxic water, began to be released in 2016 and results are expected to begin being published in peer-review journals in late 2017. The BMA will work for expansion of Chingari activities with disabled children born in gas or water-affected households, which have grown steadily in volume and quality over recent years, and will continue to support expansion of Chingari’s range of therapeutic services. The BMA will work with Chingari to identify sources of funding and expertise to support provision of vocational training for Chingari service users leaving the centre at age 16 and above.

PRINCIPAL RISKS AND UNCERTAINTIES
The trustees have considered the major risks to which the charity is exposed and established systems to mitigate these risks. Principal risks and the strategies to manage them are below:

Financial
The principal risk facing the charitable company is its ability to generate sufficient income to cover expenditure incurred in fulfilling its objectives. This is described in more detail under ‘financial position’ above.

As a charity which raises funds for activities in Bhopal and other areas affected by chemical hazards, the trustees have considered a number of risks and taken the following actions:

♦ Sound accounting practices have been established and the BMA employs an accountant of sound and appropriate accounting expertise. The auditor was appointed based on their experience of working with charities. Good practices are followed in managing donations received from supporters.

♦ As a fund-raising and grant-giving charity the BMA can hold significant funds for disbursement. Care has been taken to invest these funds without risk and with an ethical bank and regular attention is paid to receiving the best return within these limits. Arrangements are in hand to seek advice from a larger charity with investment expertise.
PRINCIPAL RISKS AND UNCERTAINTIES

Financial

- As a charity which undertakes activities and awareness to raise funds, every effort is being made to increase the proportion of funds raised for its grant-giving purposes from the awareness-raising and fund-raising activities. Budgets are reviewed regularly and activities undertaken are assessed for their return on investment.

- As a charity which raises awareness of the problems facing survivors in Bhopal and elsewhere, trustees regularly review the balance of expenditure between awareness raising and its grant-giving obligations.

- As a charity which channels significant amounts of funding through foreign exchange services, attention is given to sourcing the best possible value for the charity. Because of the marked impact of the Brexit vote upon the valuation of sterling, the charity carefully optimises the timing of currency transfers overseas and has begun investigating currency hedging options.

Governance and management

The risks of oversight and poor management have been addressed by holding regular trustee meetings and establishing board sub-committees to provide time for more detailed consideration of responsibilities and matters that arise. In particular, in 2008 a management sub-committee was established consisting of the Chair (currently shared between Eurig Scandrett and Laurie Flynn) and two other trustees. Other sub-committees ensure that trustees can play a role between meetings in oversight and support. Staff have regular meetings with the Managing Trustee, Co-Chairs and other trustees.

Employment and consultants

The risks of not fulfilling good employment practice, and of employees or consultants not meeting expectations, have been considered. The contract of employment which employees sign was drawn up with guidance from a Human Resources consultant. Detailed job descriptions are provided to establish responsibilities and expectations. Trustees will seek advice from an employment law firm where necessary. Consultants engaged by the charity must sign a contract which details their tasks and timelines. Progress on these are reviewed at regular intervals by the Staff Management Committee. The risks of loss of key personnel have also been considered, and a process of succession planning has been implemented.

Operational

The risks of establishing good operational practices in a charity have been considered. An Organisational Guide provides assistance and guidance on the running of the charity and was reviewed and updated in 2015. The trustee sub-committees on finance, management and communications, as well as regular email communication, provide a structure for more detailed consideration of the day-to-day business of the charity than would be possible in trustee meetings alone.
PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Reputational
The risks of attracting poor publicity have been considered, and the trustees closely guard the production of material, including through a communications sub-committee. Outreach material is developed by a highly experienced consultant, and we are fortunate in having additional expertise to guide on fund-raising material. We are grateful for the voluntary services of a barrister who has agreed to check any material which might be contentious for libel, and have also engaged advice from a specialist law company when appropriate. These consultations assure trustees that all of the BMA's activities conform with charitable law, that its publications comply with libel laws and that any possible libel action may be vigorously and successfully rejected as all comments by the BMA in published materials have been made in the public interest.

Laws and regulations
The trustees are mindful of the need to comply with all legislation and regulations regarding charity governance. We receive regular updates from a legal firm on changes in charity law and their guidance is brought to the attention of trustees at their meetings. In managing its database of supporters, the Data Protection Act is fully observed.

GOVERNANCE, STRUCTURE AND MANAGEMENT

Constitution
The charity is constituted as a company limited by guarantee, and was set up by a Memorandum of Association on 24 May 2006. It was granted charitable registration in the UK on 9 January 2007. Legal responsibility for the management and stewardship is vested in the board of trustees.

On 2 April 2013, Bhopal Medical Appeal also registered itself with the Office of the Scottish Charity Regulator (OSCR) and was given the Scottish Charity Registration Number SCO43904.

Governance
The board of trustees guides the implementation of the BMA's activities in raising awareness, fundraising and providing grants to organisations to fulfil its mission. It is guided by its constitution and decisions made at regular trustee meetings. An Organisational Guide sets the framework for the ways of achieving objectives, administrative and employment procedures, expected ethics and values, and the standards of outputs. Board sub-committees provide guidance between meetings, and trustees communicate regularly between meetings.

Organisational structure
The board of trustees, which currently has 9 members, met 3 times in 2016. The board convenes supportive trustee sub-committees under three groupings: (a) Organisational; (b) Communications; and (c) Finance. Ad hoc support for staff and activities is established when required.
Trustees' report Year to 31 December 2016

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Organisational structure (continued)
The Senior Management Team prepares a brief of the issues and decisions to be discussed at trustee meetings. In cases where a decision is required between meetings, information is circulated to all members of the board with a time frame for feedback. Issues may be first discussed within the Management sub-committee or other appropriate sub-committee before circulation to the full board. Trustees are committed to making decisions by consensus; if different views remain after open discussions have taken place, a majority decision may be taken.

The charity’s Senior Management Team comprises the Charity Administrator, Finance Manager and Managing Trustee. The Senior Management Team report regularly to the Co-Chairs on the financial and operational performance of the charity. The activities carried out by consultants are agreed by the board and regular reports on progress are required. Reports are submitted to the Senior Management Team and/or trustees as appropriate.

In addition to the Senior Management Team, the charity employs a campaigns manager and an administrative and communications assistant. It contracts two others for work on communications & fundraising and grant applications.

In line with the charity's Memorandum and Articles of Association Tim Edwards (Trustee) is contracted as Managing Trustee.

Trustees

Recruitment and appointment of Trustees
The Bhopal Medical Appeal aims to recruit trustees who have a connection to the welfare of the Bhopal survivors or other victims of industrial disasters, or a detailed knowledge of the situation in Bhopal, as well as members who will bring specific expertise (media, financial, legal, management, health). Board members may be re-elected and the Bhopal Medical Appeal aims to retain expertise beyond one three-year term of office. When recruiting, the Chair will provide a short biography of potential members for discussion by the board, and with their agreement will then approach these individuals and discuss the organisational needs, followed by a written invitation and details about board obligations.

The following trustees were in office throughout the period and up to the date of approval of the annual report and financial statements:

<table>
<thead>
<tr>
<th>Trustee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vincent Laurie Macpherson Flynn</td>
</tr>
<tr>
<td>Euirg Scandrett</td>
</tr>
<tr>
<td>Tim Patrick Edwards</td>
</tr>
<tr>
<td>Kathleen Jenkins</td>
</tr>
<tr>
<td>Dr Chandana Mathur</td>
</tr>
<tr>
<td>Avaes Mohammed</td>
</tr>
<tr>
<td>Satinath Sarangi</td>
</tr>
<tr>
<td>Professor Subir Sarkar</td>
</tr>
</tbody>
</table>
GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Trustees (continued)

Recruitment and appointment of Trustees (continued)
Trustees are appointed by the board of trustees and serve for a period of three years, after which time they may offer themselves for reappointment.

Induction and training of trustees
Trustees are provided with information and guidance on their role and responsibilities under Charity Commission regulations. The Bhopal Medical Appeal has developed an Organisational Guide which sets out in detail the responsibilities of trustees and employees. This document has been approved by the board of trustees and assists them in their role.

Key Management Personnel
The trustees consider that they alone comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

None of the trustees are remunerated in respect of their services as trustees of the charity. Only out of pocket expenditure incurred by the trustees in relation to their role as trustees of the charity are reimbursed where claimed.

One trustee also acts as the Managing Trustee of the charity and is remunerated for this role. This is permissible under the Memorandum and Articles of Association of the charity. The role and level of remuneration are proposed by the Trustee Management Committee, and subsequently discussed and approved by the board of trustees in the absence of the Managing Trustee. The level of remuneration is reflective of the knowledge, experience and particular skill set required for the role and is based upon fee rates set for prior expert consultants, rather than identified market rates, which range considerably higher. Performance is subject to regular review by the Trustee Management Committee.

Working with other organisations
The charity works with organisations that are campaigning for justice for survivors of the Bhopal gas disaster and in particular the International Campaign for Justice in Bhopal. To further its goals, and to raise awareness of the need for research, health and support activities in Bhopal, the charity works with other relevant international, national or local organisations that will promote awareness and action to meet its objectives. In 2016 it worked with Amnesty International on awareness raising of ongoing litigation and human rights issues pertaining to Bhopal. The charity remained in contact with Pesticide Action Network UK (PAN UK) which in the past hosted the BMA and managed its finances.
GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of trustees' responsibilities
The trustees (who are also directors of Bhopal Medical Appeal for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing the accounts in accordance with Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);

♦ make judgements and estimates that are reasonable and prudent;

♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. 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.

Each of the trustees confirms that:

♦ so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and

♦ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.
GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

Statement of trustees' responsibilities (continued)
The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

OTHER ACKNOWLEDGEMENTS

Patrons and advisers
The BMA is grateful for the support of its patrons, whose support helps to significantly raise our profile and draw attention to on-going needs in Bhopal. Jon Snow, presenter of Channel 4 News, took on this role in 2009. Michael Eavis, founder of the Glastonbury Festival, agreed to become a patron in 2010 and Navin Shah, elected member of the London Assembly for Brent and Harrow, agreed to become a patron in 2013.

We are indebted to Indra Sinha for his years of dedication to this charity, his guidance and wisdom and, of course, his creative excellence which continues to inspire the BMA's communications work.

We also acknowledge the invaluable assistance of Hamish McAlpine in assisting with the development of the 2010 art auction and in committing to further projects in aid of the BMA.

Approved by the trustees and signed on their behalf by:

[Signature]
TIM P. EDWARDS

Approved on:
28/9/17
Independent auditor's report Year to 31 December 2016

Independent auditor's report to the members of Bhopal Medical Appeal
We have audited the financial statements of Bhopal Medical Appeal for the year ended 31 December 2016 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charity's trustees as a body, in accordance with Section 44(1)(c) of the Charities and Trustees Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members and 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 the charity's members as a body and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors
As explained more fully in the statement of trustees' responsibilities set out in the trustees' report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under Companies Act 2006 and report in accordance with regulations made under those acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect, or inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.
Independent auditor's report Year to 31 December 2016

Opinion on financial statements
In our opinion the financial statements:

♦ give a true and fair view of the state of the charitable company's affairs as at 31 December 2016 and of its income and expenditure for the year then ended;

♦ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

♦ have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit, the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements and the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

♦ adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or

♦ the financial statements are not in agreement with the accounting records and returns; or

♦ certain disclosures of trustees' remuneration specified by law are not made; or

♦ we have not received all the information and explanations we require for our audit; or

♦ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

We have nothing to report in respect of these matters.

Edward Finch, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

29/1/17
**Statement of financial activities** Year to 31 December 2016

<table>
<thead>
<tr>
<th>Notes</th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>2016 Total funds</th>
<th>2015 Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>£</strong></td>
<td><strong>£</strong></td>
<td><strong>£</strong></td>
<td><strong>£</strong></td>
</tr>
<tr>
<td>Income and expenditure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income from:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations and legacies</td>
<td>1 508,450</td>
<td>1,466</td>
<td>509,916</td>
<td>670,739</td>
</tr>
<tr>
<td>Other trading activities</td>
<td>2 32,371</td>
<td>6,009</td>
<td>38,380</td>
<td>46,199</td>
</tr>
<tr>
<td>Investments</td>
<td>3 743</td>
<td>—</td>
<td>743</td>
<td>676</td>
</tr>
<tr>
<td>Foreign exchange gains</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>1,545</td>
</tr>
<tr>
<td>Total income</td>
<td>541,564</td>
<td>7,475</td>
<td>549,039</td>
<td>719,159</td>
</tr>
<tr>
<td>Expenditure on:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raising funds</td>
<td>4 105,116</td>
<td>—</td>
<td>105,116</td>
<td>90,430</td>
</tr>
<tr>
<td>Charitable activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Awareness</td>
<td>5 87,871</td>
<td>—</td>
<td>87,871</td>
<td>119,551</td>
</tr>
<tr>
<td>Health, medical, nutritional, community relations and research</td>
<td>5 437,455</td>
<td>7,268</td>
<td>444,723</td>
<td>358,057</td>
</tr>
<tr>
<td>Total expenditure</td>
<td>630,442</td>
<td>7,268</td>
<td>637,710</td>
<td>568,038</td>
</tr>
<tr>
<td>Net (expenditure) income and net movement in funds</td>
<td>9 (88,878)</td>
<td>207</td>
<td>(88,671)</td>
<td>151,121</td>
</tr>
<tr>
<td>Reconciliation of funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund balances brought forward at 1 January 2016</td>
<td>208,805</td>
<td>—</td>
<td>208,805</td>
<td>57,884</td>
</tr>
<tr>
<td>Fund balances carried forward at 31 December 2016</td>
<td>119,927</td>
<td>207</td>
<td>120,134</td>
<td>208,805</td>
</tr>
</tbody>
</table>

All recognised gains and losses are included in the above statement of financial activities.

All of the charity’s activities derived from continuing operations during the above two financial periods.
Balance sheet  31 December 2016

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2016</th>
<th>2015</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Notes</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Current assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>14</td>
<td>51,786</td>
<td>55,560</td>
<td></td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>451,391</td>
<td>388,009</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>503,177</td>
<td>443,569</td>
<td></td>
</tr>
<tr>
<td>Creditors: amounts falling due within one year</td>
<td>15</td>
<td>(383,043)</td>
<td>(234,764)</td>
<td></td>
</tr>
<tr>
<td>Net assets</td>
<td></td>
<td>120,134</td>
<td>208,805</td>
<td></td>
</tr>
</tbody>
</table>

The funds of the charity:

Funds and reserves

Income funds:
Unrestricted funds
  General funds | 119,927 | 208,805 |
Restricted funds | 207     |        |

120,134 | 208,805 |

Approved by the trustees and signed on their behalf by:

[Signature]

TIM P. EDWARDS

Trustee of Bhopal Medical Appeal
Company registration number
5826888 (England and Wales)

Approved on:

29/9/17
Statement of cash flows  Year to 31 December 2016

<table>
<thead>
<tr>
<th></th>
<th>Notes</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net cash provided by operating activities</td>
<td>A</td>
<td>82,706</td>
<td>192,006</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flows from investing activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank interest received</td>
<td>743</td>
<td>676</td>
<td></td>
</tr>
<tr>
<td>Net cash provided by investing activities</td>
<td>743</td>
<td>676</td>
<td></td>
</tr>
<tr>
<td>Change in cash and cash equivalents in the year</td>
<td></td>
<td>83,449</td>
<td>192,682</td>
</tr>
<tr>
<td>Cash and cash equivalents at 1 January 2016</td>
<td>B</td>
<td>388,009</td>
<td>193,782</td>
</tr>
<tr>
<td>Change in cash and cash equivalents due to exchange rate movements</td>
<td>(20,067)</td>
<td>1,545</td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents at 31 December 2016</td>
<td>B</td>
<td>451,391</td>
<td>388,009</td>
</tr>
</tbody>
</table>

Notes to the statement of cash flows for the year to 31 December 2015.

A  Reconciliation of net (expenditure) income to net cash flow from operating activities

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net (expenditure) income (as per the statement of financial activities)</td>
<td></td>
<td>(88,671)</td>
<td>151,121</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank interest receivable</td>
<td></td>
<td>(743)</td>
<td>(676)</td>
</tr>
<tr>
<td>Foreign exchange losses (gains)</td>
<td></td>
<td>20,067</td>
<td>(1,545)</td>
</tr>
<tr>
<td>Decrease in debtors</td>
<td></td>
<td>3,774</td>
<td>24,596</td>
</tr>
<tr>
<td>Increase in creditors</td>
<td></td>
<td>148,279</td>
<td>18,510</td>
</tr>
<tr>
<td>Net cash provided by (used in) operating activities</td>
<td></td>
<td>82,706</td>
<td>192,006</td>
</tr>
</tbody>
</table>

B  Analysis of cash and cash equivalents

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>451,391</td>
<td>388,009</td>
</tr>
<tr>
<td>Total cash and cash equivalents</td>
<td></td>
<td>451,391</td>
<td>388,009</td>
</tr>
</tbody>
</table>

Bhopal Medical Appeal  29
Principal accounting policies Year to 31 December 2016

Basis of accounting
The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation
These financial statements have been prepared for the year to 31 December 2016.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and The Charities Accounts (Scotland) Regulations 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement
Preparation of the financial statements requires the trustees to make judgements and estimates. The key area where such judgements or estimation have been applied is in respect to the allocation of support costs across the various categories of charitable expenditure. Further details are provided within note 7 to the financial statements.

Assessment of going concern
The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.
Principal accounting policies Year to 31 December 2016

Income
Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Donations
Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies
Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor’s intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Gifts in kind
Donated goods are recognised at fair value unless it is impractical to measure this reliably in which case a derived value, being the cost of the item to the donor, is used. An equivalent amount is included as expenditure except where the donated good is a fixed asset in which case the corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the charity’s accounting policies.

In accordance with the Charities SORP (FRS 102) volunteer time is not recognised.
Principal accounting policies Year to 31 December 2016

Income (continued)

Interest receivable
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure
Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with raising voluntary income for the charity. This includes the cost of advertisements, mailings, event costs and similar.

- Expenditure on charitable activities comprise expenditure on the charity’s primary charitable purposes, principally in connection with raising awareness of the Bhopal disaster and providing grant support to alleviate the suffering of people who were directly or indirectly affected by the disaster.

Allocation of support costs
The majority of costs are directly attributable to specific activities. Certain central support costs such as office rent and expenditure, website and IT support, and similar are included as support costs. Such support costs are allocated to the above expenditure headings in the same ratio as the direct costs.

Governance costs (which comprise the costs associated with the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice) are also included as part of the support costs and allocated to the above expenditure headings in the same manner.
Principal accounting policies  Year to 31 December 2016

Tangible fixed assets
All assets costing more than £500 and with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

Computer and similar equipment: 25% per annum based on cost

Other tangible fixed assets which have been fully depreciated are written out of the financial statements as their market value is considered to be negligible.

Debtors
Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand
Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions
Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Leased assets
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.
**Principal accounting policies** Year to 31 December 2016

**Fund accounting**

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Restricted funds comprise donations received for application towards specific purposes as specified by the donor.
Notes to the financial statements 31 December 2016

1 Income from donations and legacies

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations from individuals</td>
<td>417,849</td>
<td>466</td>
<td>418,315</td>
<td>354,995</td>
</tr>
<tr>
<td>Trusts</td>
<td>14,920</td>
<td>1,000</td>
<td>15,920</td>
<td>26,889</td>
</tr>
<tr>
<td>Legacies</td>
<td>1,600</td>
<td>—</td>
<td>1,600</td>
<td>226,024</td>
</tr>
<tr>
<td>Gift Aid receivable</td>
<td>74,081</td>
<td>—</td>
<td>74,081</td>
<td>62,831</td>
</tr>
<tr>
<td></td>
<td>508,450</td>
<td>1,466</td>
<td>509,916</td>
<td>670,739</td>
</tr>
</tbody>
</table>

2 Income from other trading activities

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Events</td>
<td>32,371</td>
<td>6,009</td>
<td>38,380</td>
<td>46,199</td>
</tr>
</tbody>
</table>

3 Income from investments

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total funds</td>
<td>Total funds</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Bank interest receivable</td>
<td>743</td>
<td>676</td>
<td></td>
</tr>
</tbody>
</table>

4 Expenditure on raising funds

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total funds</td>
<td>Total funds</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Fundraising, publicity, promotion</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff costs</td>
<td>14,256</td>
<td>5,224</td>
<td></td>
</tr>
<tr>
<td>Direct costs</td>
<td>68,384</td>
<td>65,520</td>
<td></td>
</tr>
<tr>
<td>Allocation of support costs (note 7)</td>
<td>22,476</td>
<td>19,666</td>
<td></td>
</tr>
<tr>
<td></td>
<td>105,116</td>
<td>90,430</td>
<td></td>
</tr>
</tbody>
</table>
5 Charitable activities

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>2016 Total</th>
<th>2015 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Awareness</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>. Staff costs</td>
<td>38,393</td>
<td>—</td>
<td>38,393</td>
<td>38,684</td>
</tr>
<tr>
<td>. Direct costs</td>
<td>30,690</td>
<td>—</td>
<td>30,690</td>
<td>54,842</td>
</tr>
<tr>
<td>. Allocation of support costs (note 7)</td>
<td>18,788</td>
<td>—</td>
<td>18,788</td>
<td>26,025</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>87,971</td>
<td>—</td>
<td>87,971</td>
<td>119,551</td>
</tr>
</tbody>
</table>

| Health, medical, nutritional, community relations and research | | |
| . Grants            | 342,365           | 7,268            | 349,633    | 280,111    |
| . Allocation of support costs (note 7) | 95,090 | — | 95,090 | 77,946 |
| **Total**            | 437,455           | 7,268            | 444,723    | 358,057    |

| **Total** | 525,326 | 7,268 | 532,594 | 477,608 |

6 Grants payable

The charity makes grants to institutions in accordance with its grant-making policy as set out in the trustees’ report.

The two largest grants payable during the year were for the following purposes:

- To the Sambhavna Trust in support of the activities of the trust and the Sambhavna Clinic, £246,963 (2015 - £186,067).

- To The Chingari Trust, a non-government organisation devoted to the cause of Bhopal gas victims, grants of £102,671 (2015 - £84,753).

Other grants during the year totalled £nil (2015 - £9,292).

7 Support costs

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>Basis of apportionment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff costs</td>
<td>72,035</td>
<td>68,543</td>
<td>Pro-rata by expenditure</td>
</tr>
<tr>
<td>Governance costs (note 8)</td>
<td>8,423</td>
<td>10,842</td>
<td>Pro-rata by expenditure</td>
</tr>
<tr>
<td>Other costs</td>
<td>55,896</td>
<td>44,272</td>
<td>Pro-rata by expenditure</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>136,354</td>
<td>123,657</td>
<td></td>
</tr>
</tbody>
</table>

Attributed to:

- Expenditure on raising funds (note 4) | 22,476 | 19,686 |
- Expenditure on charitable activities
  . Awareness (note 5) | 18,788 | 26,025 |
  . Health, medical, nutritional, community relations and research (note 5) | 95,090 | 77,946 |
| **Total** | 136,354 | 123,657 |
Notes to the financial statements 31 December 2016

8 Governance costs

<table>
<thead>
<tr>
<th></th>
<th>2016 Total</th>
<th>2015 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Audit and accountancy</td>
<td>4,904</td>
<td>6,230</td>
</tr>
<tr>
<td>Legal fees</td>
<td>765</td>
<td>—</td>
</tr>
<tr>
<td>Trustees’ expenses</td>
<td>2,754</td>
<td>4,612</td>
</tr>
<tr>
<td></td>
<td>8,423</td>
<td>10,842</td>
</tr>
</tbody>
</table>

9 Net (expenditure) income and net movement in funds
This is stated after charging:

<table>
<thead>
<tr>
<th></th>
<th>2016 Total</th>
<th>2015 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Staff costs (note 10)</td>
<td>124,684</td>
<td>112,451</td>
</tr>
<tr>
<td>Charges under operating leases</td>
<td>8,500</td>
<td>8,500</td>
</tr>
<tr>
<td>Auditor’s remuneration</td>
<td>Statutory audit services (excluding VAT) current year</td>
<td>4,904</td>
</tr>
<tr>
<td></td>
<td>138,088</td>
<td>127,181</td>
</tr>
</tbody>
</table>

10 Employees and staff costs
Staff costs during the year were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>117,208</td>
<td>104,964</td>
</tr>
<tr>
<td>Social security costs</td>
<td>7,476</td>
<td>7,487</td>
</tr>
<tr>
<td></td>
<td>124,684</td>
<td>112,451</td>
</tr>
</tbody>
</table>

No employees earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year (2015 - none).

The average number of employees during the year, calculated on a full-time equivalent basis, analysed by function, was as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016 number</th>
<th>2015 number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrator</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Finance officer</td>
<td>0.8</td>
<td>0.8</td>
</tr>
<tr>
<td>Administration officer</td>
<td>0.6</td>
<td>0.5</td>
</tr>
<tr>
<td>SFOB organiser</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Campaign manager</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>Fundraiser and events</td>
<td>0.7</td>
<td>0.4</td>
</tr>
<tr>
<td></td>
<td>4.1</td>
<td>3.7</td>
</tr>
</tbody>
</table>
10 Employees and staff costs (continued)
In addition to the above, an amount of time, the value of which is impossible to quantify for the purpose of these financial statements, is donated by many volunteers throughout the year.

11 Consultants
Consultancy costs during the year were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultancy and Management fees</td>
<td>52,855</td>
<td>57,845</td>
</tr>
<tr>
<td>Consultancy - office</td>
<td>5,455</td>
<td>9,390</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>58,310</strong></td>
<td><strong>67,235</strong></td>
</tr>
</tbody>
</table>

Analysed by function:

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications and fundraising</td>
<td>30,950</td>
<td>32,672</td>
</tr>
<tr>
<td>Executive trustee</td>
<td>5,455</td>
<td>9,390</td>
</tr>
<tr>
<td>Database fundraiser</td>
<td>15,589</td>
<td>16,711</td>
</tr>
<tr>
<td>Grants and trusts fundraiser</td>
<td>886</td>
<td>2,969</td>
</tr>
<tr>
<td>Other</td>
<td>5,430</td>
<td>5,493</td>
</tr>
<tr>
<td></td>
<td><strong>58,310</strong></td>
<td><strong>67,235</strong></td>
</tr>
</tbody>
</table>

12 Remuneration of key management personnel
The trustees consider that they alone comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

During the year, Tim Edwards, one of the Trustees, was paid fees of £36,405 (2015 - £37,562) in his capacity as Managing Trustee. This is permissible under the Memorandum and Articles of Association of the charity. No other trustees were remunerated in respect of their services in either 2016 or 2015.

During the year out of pocket travelling expenses amounting to £2,378 (2015 - £4,699) were reimbursed to four trustees (2015 - five trustees).

During the year, the total amount donated by trustees to the charity was £260 (2015 - £240).

13 Taxation
Bhopal Medical Appeal is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.
Notes to the financial statements 31 December 2016

14 Debtors

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments</td>
<td>6,942</td>
<td>4,924</td>
</tr>
<tr>
<td>HMRC Gift Aid</td>
<td>34,851</td>
<td>29,552</td>
</tr>
<tr>
<td>Other debtors</td>
<td>9,993</td>
<td>21,084</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>51,786</strong></td>
<td><strong>55,560</strong></td>
</tr>
</tbody>
</table>

15 Creditors: amounts falling due within one year

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fee creditors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social security and other taxes</td>
<td>2,811</td>
<td>2,359</td>
</tr>
<tr>
<td>Accrued grants</td>
<td>349,633</td>
<td>201,288</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>18,646</td>
<td>20,768</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>383,043</strong></td>
<td><strong>234,764</strong></td>
</tr>
</tbody>
</table>

16 Related party transactions

During the year the Bhopal Medical Appeal awarded a grant of £246,963 (2015 - £186,067) to the Sambhavna Trust, an India-based charitable trust. Satinath Sarangi, a trustee of the Bhopal Medical Appeal, is also the managing trustee of the Sambhavna Trust.

Other than those transactions stated above, and those disclosed within note 12, there were no other related party transactions during the year.

17 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £10.

18 Ultimate control

The charity was controlled throughout the period by the trustees.
19 Comparative information

Comparative amounts, by fund, are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted funds</th>
<th>Restricted funds</th>
<th>2015 Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income and expenditure</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Income from:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations and legacies</td>
<td>669,439</td>
<td>1,300</td>
<td>670,739</td>
</tr>
<tr>
<td>Other trading activities</td>
<td>44,049</td>
<td>2,150</td>
<td>46,199</td>
</tr>
<tr>
<td>Investments</td>
<td>676</td>
<td>—</td>
<td>676</td>
</tr>
<tr>
<td>Foreign exchange gains</td>
<td>1,545</td>
<td>—</td>
<td>1,545</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td>715,709</td>
<td>3,450</td>
<td>719,159</td>
</tr>
<tr>
<td><strong>Expenditure on:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raising funds</td>
<td>90,430</td>
<td>—</td>
<td>90,430</td>
</tr>
<tr>
<td>Charitable activities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Awareness</td>
<td>119,551</td>
<td>—</td>
<td>119,551</td>
</tr>
<tr>
<td>Health, medical, nutritional, community relations and research</td>
<td>354,607</td>
<td>3,450</td>
<td>358,057</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td>564,588</td>
<td>3,450</td>
<td>568,038</td>
</tr>
<tr>
<td><strong>Net income and net movement in funds</strong></td>
<td>151,121</td>
<td>—</td>
<td>151,121</td>
</tr>
</tbody>
</table>