

# **Bhopal Medical Appeal**

## **Annual Report and Financial Statements**

31 December 2018

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

<b>Trustees</b>	Vincent Laurie Macpherson Flynn (Co-Chair) (Resigned March 24 2019) Eurig Scandrett (Co-Chair) (Resigned July 31 2019) Tim Patrick Edwards (Managing Trustee) Jane Sabherwal (Resigned July 26, 2019) Mike Embley (Resigned July 26, 2019) Kathy Jenkins (Resigned July 31, 2019) Dr Chandana Mathur (Resigned July 26, 2019) Avaes Mohammed Satinath Sarangi Prof Subir Sarkar (Chair)
<b>Principal office</b>	Community Base 113 Queens Road Brighton BN1 3XG
<b>Telephone</b>	01273 603278
<b>Website</b>	<a href="http://www.bhopal.org">www.bhopal.org</a>
<b>E-mail</b>	<a href="mailto:admin@bhopal.org">admin@bhopal.org</a>
<b>Company registration number</b>	5826888 (England and Wales)
<b>Charity registration number</b>	1117526 (England and Wales) SCO43904 (Scotland)
<b>Auditor</b>	C.R. Tyler, FCA DChA FCIE Chariot House Limited 44 Grand Parade Brighton BN2 9QA
<b>Bankers</b>	CAF Bank Limited PO Box 289 West Malling M19 4TA

## Trustees' report Year to 31 December 2018

The trustees present their statutory report together with the financial statements of the Bhopal Medical Appeal (BMA) for the year ended 31 December 2018.

The financial statements have been prepared in accordance with the accounting policies set out on pages 28 to 32 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 2018 one-page advertisements were carried in the Guardian (circulation of approximately 260,000) and the Telegraph (circulation approximately 500,000). 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, and Earth Matters.

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 2017, the BMA spent £26,027 on national press advertising, generating an off-the-page return of £26,664 from 345 respondents, of which 193 were new to the charity. Post-campaign monitoring analyses data to reveal the revenue raised in donations and the breakdown between new and existing donors. 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 encouraging, as new donors totalled 60% of total respondents. These results demonstrate the continuing value of print advertising, even within a general context of decreasing print readership.

### **Supporter development**

The charity works to maintain a personal link with its supporters, particularly those who wish to raise funds to contribute and heighten 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.

### **Supporter mailings**

In 2018 the BMA mailed a news magazine and an anniversary card to supporters. Mailed in autumn, the news magazine focused on 'generation next', the officially unrecognised class of Bhopal victims born with congenital abnormalities. The issue told the stories of two young people, their struggles and the impact that therapy and special education had made upon their lives. It also detailed known medical research on the genetic risk factors of MIC exposure. Additionally, the magazine presented the experiences of a volunteer in Bhopal, profiled yoga and schools events in support of the charity, covered events at the DowDuPont AGM and introduced Sambhavna's 'tree of memories', installed at the clinic to honour the memory of notable supporters. The magazine also updated supporters on legal developments and published news of outstanding supporter contributions, including challenge and arts events. The mailing raised £75,743 in donations and approximately £700 in regular annual gifts from direct debits and standing orders. 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 £5,264 direct donations over the course of the year, as well as several new direct debits.

**ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS** *(continued)*

**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. The charity mailed a special card to 4500 'lapsed' donors (who had not given for five years or more) to mark the 34<sup>th</sup> anniversary in December 2018. The anniversary card mailing raised £6,049.

At the end of 2018, the database recorded that the BMA has registered approximately 22,354 supporters, with approximately 200 contacting the BMA for the first time in 2018.

**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 30<sup>th</sup> anniversary of Bhopal. The new website offers a simpler, clearer and more visual interface, with better overall accessibility to new and existing content. Content has been substantially added to throughout 2018.

**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 £6,166 in 2018.

**In Memoriam Gifts**

Generous gifts have also been sent to the charity 'in memoriam'. These are often given by a close relative of the deceased person in lieu of flowers at a funeral. Mrs Roshan Pedder gave an 'in memoriam' gift of £300, following the death of her dear friend David Swope. Jennifer Smith organised a collection for the BMA at Somerby and District Leisure Club, which raised £300 as a memorial to their close friend Mr J Weeks (recently deceased) who had supported the charity since 2004. In Memoriam gifts of £438 were also given in memory of Mr Krishnan Vijayan.

**ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS (continued)**

**Glastonbury Festival**

In 2017 the charity continued its traditional work engagement with Glastonbury Festival organising our largest team (to date) of 100 litter-pickers, of which every litter-picker completed each of their shifts. Additional donations during the festival raised the total funds gained to just under £16,400. Thanks go to Matt Kay who was the BMA's on site representative. Following an interregnum in the festival in 2018, the BMA will continue its engagement again in 2019.

**Running for Bhopal**

On April 15<sup>th</sup>, 2018, father and son team Chris and Tom Addison took on the challenge of the Brighton Marathon, raising over £1000 for the charity via sponsorships. On May 22<sup>nd</sup> Finn Thomson and Michael Clarke ran the Hackney Half Marathon. Finn went on to run the Lochalsh Dirty 30, raising an impressive £690. On July 16<sup>th</sup> seven competitors braved the British 10K Run. Despite the intense the soaring temperatures runners Glenis Scadding, Martin Hodges, Geoffrey Southwell, Daisy Hooper, Sam Ransom, Laura Deitz and Andrew Platten all completed the course and raised funds for the charity. We thank all those who made such strides to support the BMA's challenge events. On 9<sup>th</sup> September 2018 Andrew Davies ran the Budapest Half Marathon, raising £485. Inspirational supporter Martin Hodges ran once more for the charity in the Brighton 10K in November. 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. At the end of August 2017, immediately before completion of their \$130 billion merger (to become the world's largest chemical company), the charity launched an online campaign entitled "Don't Bury Bhopal", which included an open letter addressed to management of DowDuPont. The campaign, hosted on the bhopal.org website, has so far generated thousands of signatures. Our thanks to advertising agency Soul, who in helping produce the campaign donated much expertise and time, entirely freely. The collection of signatures continued in 2018.



**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 response to a plan of merger announced by both companies in late 2015, 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.

In 2017 the charity continued to advise shareholders and investors in DowDuPont in preparation of shareholder resolutions intended to be brought before the inaugural DowDuPont AGM. The work resulted in the presentation of three separate resolutions referencing Bhopal at the company's inaugural AGM, held in Chicago on Wednesday, April 25<sup>th</sup>, 2018. Voting demonstrated that DowDuPont shareowners holding almost \$50 billion worth of shares agreed that Company management is mishandling Bhopal. The basis of one proposal was that asset attachments orders and international injunctions - pending within civil and criminal cases on Bhopal - provided an imminent threat to DowDuPont. A full 38% of total shareholdings backed this proposal, which argued that that special meetings to address substantive issues could be called with a 10% vote share.

**Public talks**

In February 2018, Managing Trustee Tim Edwards gave a Tedx talk at Warwick University entitled 'What the spirit of Bhopal teaches us about surviving despair'. The filmed talk took place in front of an audience of over 1,000 people and is published on the prominent Ted.com website. Also in February, Events Organiser Matt Kay spoke at a film screening held at the University of East Anglia by the Indian Society. In May, Tim Edwards presented a talk on outstanding legal issues in Bhopal at Garden Court Chambers, London. On November 27, Mr. Edwards spoke at an Amnesty International event at Warwick University. The talk detailed the Bhopal disaster and its catastrophic effect upon the health and wellbeing, and the medical and legal aftermath. On December 6<sup>th</sup> Mr. Edwards talked at an event held at SOAS, focusing on the questions of the adequacy of the law to address issues of justice in Bhopal.

## **ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS (continued)**

### **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 with a lecture/workshop held at Dorothy Stringer School on 11 February 2016, which once again led to students choosing the BMA for work experience placements.

In 2017 the charity also adapted its programme to the needs of Key Stage 2 children. In 2018 the charity's managing trustee and his wife, Farah Edwards, took the project into two local primary schools, St. Luke's and Elm Grove. The programme began with introductory presentation, followed by an Indian food-tasting, yoga sessions and a Holi Day celebration.

Managing Trustee Tim Edwards made two presentations at Seahaven Academy Newhaven in May 2018 focusing on success achieved by Chingari Trust working with disabled children. In July Mr. Edwards gave a presentation on Chingari and Sambhavna's work to 1,000 students and staff at Sanskar Valley School in Bhopal. On December 11<sup>th</sup>, Mr. Edwards spoke about the work of Chingari Trust at Bootham School, York. Students at the school later undertook a number of activities on behalf of the charity, raising an impressive £840. Our thanks to all of those who took part.

### **BMA Events**

On June 16<sup>th</sup> five sky-divers jumped at 15,000 feet above Salisbury Plain to raise funds for the charity. Our thanks to all for their bravery and hard work.

On the evening of November 24<sup>th</sup> an auction event was held at the Holler Brewery in Brighton. Longstanding supporter Fiona Case was among those who supplied gifts for the sale. In all approximately £1,300 was raised by the auction. Our thanks to the Holler Brewery and to all those who made the event possible.

Backwell Festival, which took place on the weekend of July 7<sup>th</sup> and 8<sup>th</sup>, nominated the BMA as its international charity for 2018. The festival's theme centred on oceans and the environmental harm caused by the use of throwaway petrochemical plastics, which was explored through theatre, art and discussion.

## **ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS (continued)**

### **Yoga For Bhopal**

In spring 2016, supporter, yoga practitioner and author Meaghan Delahunt initiated an event in Edinburgh called Yoga for Bhopal in honour of the Sambhavna Clinic's yoga treatment programme, which has proven the health benefits of yoga for people suffering chronic diseases as a result of exposure to toxic chemicals. The charity supports the initiative's evolution with administrative and online promotional work. Meaghan held a Yin Yoga class on 18th February, which raised funds for Sambhavna Clinic. Our thanks to Edinburgh Community Yoga Outreach (ECYO) for kindly inviting Yin Yoga for Bhopal to participate in their Pay-it-Forward festival in Edinburgh along with all those who attended our event.

On United Nations International Yoga Day, 21<sup>st</sup> June, 2017, the Sambhavna Trust Clinic called upon the state and central governments of India to include yoga therapy in the treatment of those damaged by the Union Carbide disaster. The charity chose the same day to launch online Yoga for Bhopal tee-shirts, featuring a unique, colourful design. A number of successful events were held around the 33<sup>rd</sup> anniversary of Bhopal, raising over £1,500 for the charity.

The programme continued in 2018. The charity supplies yoga practitioners with a range of support materials including a pack of flyers, posters and hand-made tea light holders. Becky Spooner hosted a More Yoga event in Finsbury Park on 28<sup>th</sup> April, with all of the proceeds going to the charity. Becky Crepsley-Fox also held an event at *More Yoga* studio in Haringey in May 2018. On 24<sup>th</sup> November Erling McCracken held a one-day Scaravelli Yoga workshop at the beautiful Isle of Yoga Studio in Shanklin, Isle of Wight. Kirsten Agar Ward held a series of ten yoga events at the Bath Iyengar Yoga Centre throughout the year. Dr Laura Potts, also an Iyengar Yoga teacher, held a yoga fundraiser at Clements Hall in York, also involving Bollywood dancing and Indian snacks. Adele Robertson collected for the charity at all her yoga classes in Somerset this year. Sally Dulieu recommended the charity to her yoga class in Marple Bridge, which later held an event that employed poses used at the Sambhavna Clinic. Danny Cusack held a yoga session followed by chai and chat in Kells, Ireland.

Our thanks to all those who organised and participated in these inspiring events for their passion and enthusiasm. The initiative again raised over £1,500. The charity intends to support more yoga-based events in the future.

### **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: The Michael Maude Charitable Trust; Hugh Symons Charitable Trust; Deo Gratias Trust; Miss K M Harbinson's Charitable Trust; The Eva Reckitt Trust Fund; The Westcroft Trust; and The Ericson Trust (Claudia Cotton, Trustee). In all, a total of £18,884 was donated to the charity.

## ACTIVITIES, SPECIFIC OBJECTIVES, AND ACHIEVEMENTS (continued)

### Volunteers

The charity wishes to thank the volunteers who helped in generous and imaginative ways to raise awareness and funds for the BMA during 2018.

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 thanks go to Olivia Dell for her wonderful craft-based activities on our behalf. For example, on the weekend of 15/16 September Olivia organised an 'Open Studio' event that included delicious food prepared and served by a passionate team of helpers based around Stroud and which raised a thumping £1,127. A special thanks to all involved.

The Swedish Process Safety Association held a conference on 9-10 October on the prevention of chemical accidents. Thanks to Mats Lindgren, rather than buying gifts for each presenter the association nominated the BMA for donations in lieu, raising £500 for the charity. On September 10<sup>th</sup> Elana Neil hosted a photographic exhibition at 'Brighton Pop-Up' gallery on the town's seafront. Inspired by her PhD thesis and the trauma of her father's suicide, the exhibition featured images of insects and included an interactive exhibition along with readings from *Animal's People*, by Indra Sinha, which combined to relate a story of Bhopal. In May 2018 Finnish landscape photographer Jasu Talvensaari set off on a cycle journey from Brighton right up to the Northern-most tip of Norway to raise money and awareness for the Bhopal Medical Appeal. Quaker groups are constant friends and supporters; Colchester, Devizes, Reading, Rochdale, St Albans, Tunbridge Wells, Ludlow and Milford Haven are just a few of many 'friends' groups across the UK, many of which raise funds through collections. Supporter and novelist Annie Murray has demonstrated enormous commitment to the charity since the early 2000's. In 2018 she committed royalties from her forthcoming novel 'Mother and Child' to the charity. Annie has also run the London 10K five times to support our work. Our gratitude for her tireless support.

Thank you also to Dominique Hudson who for the third year running supported the charity at LeftFest in Southampton. Thanks to IMPACT at Warwick University, who held a pub quiz on the 23<sup>rd</sup> November with proceeds going to the charity. Our thanks as ever to our loyal supporter Fiona Case, who held another successful fundraising event with her stall at Pilton Show in September.

We would also like to make a special mention of Margaret Forbes, who held a table-top sale for us in March; Janet Wells, who raised £100 from the sale of her 'Necklaces for Bhopal' in July; Maureen Brice of All Saints Church, Staplehurst, for designating the BMA as the church's charity for Oct-Dec 2018; Rosanne Cecil, who held a vegetarian supper club event at her shop *Blackthorn and Willow* in Glenarm, Northern Ireland and also organised an evening of traditional Christmas music for the charity; also to Ludlow Quakers for their event in June.

Our heartfelt thanks go to all volunteers, in whatever role. It 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.

### **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.

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.

### **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.

**GRANT-MAKING POLICY (continued)**

The BMA contributed £295,750 to the running costs of the Sambhavna Trust in 2018 (2017 - £256,325).

**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 £142,884 to the running costs of Chingari Trust in 2018 (2017 - £139,887).

**FINANCIAL REVIEW**

**Results for the year**

Income from donations and legacies and other trading activities amounted to £471,065 in 2018 (2017 - £619,273), which represents a decrease of £148,052 on the previous year. The decrease reflects the absence of significant legacy gifts compared to the previous year, a fall in events income, and also in individual donations. The BMA received legacies of £6,166 during the year (2017 - £66,980). Investment income for the year decreased to £156 from £180, resulting in total income of £471,221 (2017 - £619,453). This represents an overall decrease of 24% (2017 - increase of 12.5%). The BMA made a grant to Sambhavna Trust of £295,750 in 2018 (2017 - £256,325), an increase of £39,425, or 15% on 2017, due to annual interest rate rises in India and a periodic five year salary review. A grant of £142,884 (2017 - £139,887) was also made to Chingari Trust in 2018, an increase of £2,997 or 2% over 2017.

**FINANCIAL REVIEW (continued)**

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 £93,939 (2017 - £92,974) was dedicated to this during 2018, which covers staff costs, advertising, publications and some campaign activities. This amounted to an increase of 1% on 2017's expenditure.

**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 £396,517 (2017- £366,113). 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 cover core costs, and will allow the charity to cope and respond to unforeseen emergencies whilst specific action plans are implemented. Though aspirational, the free reserves requirement is regularly monitored and reviewed.

**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 (£240,997) (2017 - £38,704). While reserves fall short of the balance required per the 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 £162,863 (2017 - £286,209).

**Financial position (continued)**

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. The impact upon the charity of less favourable foreign exchange rates following the referendum on European Union membership has been compounded by a growth in the size of grants tendered to supported organisations in India and, as a result, the charitable company's reserves have diminished since the beginning of 2016.

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 has been developed. In order to support growth in the size of grants tendered to supported organisations over the last six 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 in prior years. 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. Consequently, the percentage of the charitable company's overall expenditure directed to medical relief continues to increase, year on year.

In 2017, a small increase in expenditure on awareness and educational work resulted in an increase in income from these activities. In 2018 an overall reduction in income led trustees to carefully reassess operational expenditure and income related activities. As a result trustees have considered restructuring the charity's operations going forward, reducing UK staff and office costs while refocusing on core income generating activities. The trustees expect that implementation of this operational reconfiguration over the course of 2019 will significantly reduce expenditure on the charity's UK office while maintaining the charitable company's income sufficiently to meet grant commitments. Trustees will at regular intervals continue to 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**

To achieve these targets the following 2018 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. 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 and detailed communication with supporters will be undertaken, describing 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. The charity will explore crowd funding opportunities. An expanded programme of fundraising events local to the BMA will continue to 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 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 2019. 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 independent examiner 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.

## **PRINCIPAL RISKS AND UNCERTAINTIES (continued)**

### **Financial (continued)**

- ◆ 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 is 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 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. To meet the requirements of General Data Protection Regulations (2017), in advance the charity sought professional advice, reviewed and adapted all relevant practises for full compliance, appointed a data protection officer and published its privacy policy online. The charity is registered with the UK Fundraising Regulator and actively applies its Code of Fundraising Practise to its work in order to ensure best practise is followed throughout all fundraising.

## **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.

## **GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)**

### **Organisational structure**

The board of trustees, which currently has 9 members, met once in 2017. Decision making and oversight was also maintained via supportive sub-committees. The board convenes trustee sub-committees under three groupings: (a) Organisational; (b) Communications; and (c) Finance. Ad hoc support for staff and activities is established when required.

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 Donor Relations Manager, 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, a local events officer 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:

## GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

### Trustees (continued)

#### Trustee

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Tim Patrick Edwards  
Avaes Mohammed  
Satinath Sarangi  
Professor Subir Sarkar

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#### *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.

Ordinarily 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. In 2018 one trustee was remunerated for work undertaken on behalf of the charity. As the payment was found to be not in alignment with the charity's policies trustees have submitted a report to the regulatory authority.

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.

**GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)**

**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 2018 it worked with Amnesty International on awareness raising of ongoing litigation and human rights issues pertaining to Bhopal.

**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.

**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:



Tim Patrick Edwards

Approved on:

30/12/19



## **Independent examiner's report Year to 31 December 2018**

### **Independent examiner's report to the trustees of The Bhopal Medical Appeal ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st December 2018.

#### **Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

#### **Independent examiner's statement**

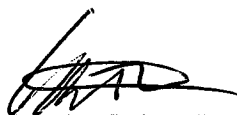
Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

**Independent examiner's report Year to 31 December 2018**



Christopher Robert Tyler FCA DChA FCIE

Institute of Chartered Accountants in England and Wales

Chariot House Limited

Chartered Accountants

44 Grand Parade

Brighton

East Sussex

BN2 9QA

Date: ~~30 December 2019~~.....

## Statement of financial activities Year to 31 December 2018

	Notes	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
<b>Income and expenditure</b>					
<b>Income from:</b>					
Donations and legacies	1	437,737	490	<b>438,227</b>	578,632
Other trading activities	2	14,782		<b>14,782</b>	40,641
Investments	3	156		<b>156</b>	180
Foreign exchange gains		18,056		<b>18,056</b>	—
<b>Total income</b>		<b>470,731</b>	<b>490</b>	<b>471,221</b>	<b>619,453</b>
<b>Expenditure on:</b>					
Raising funds	4	125,035		<b>125,035</b>	114,956
Charitable activities					
Awareness	5	93,600		<b>93,600</b>	92,974
Health, medical, nutritional, community relations and research	6	531,797	490	<b>532,287</b>	492,953
<b>Total expenditure</b>		<b>750,432</b>	<b>490</b>	<b>750,922</b>	<b>700,883</b>
<b>Net (expenditure) income and net movement in funds</b>		<b>(279,701)</b>	<b>0</b>	<b>(279,701)</b>	<b>(81,430)</b>
<b>Reconciliation of funds</b>					
Fund balances brought forward at 1 January 2018		38,474	230	<b>38,704</b>	120,134
Fund balances carried forward at 31 December 2018		<b>(241,227)</b>	<b>230</b>	<b>(240,997)</b>	<b>38,704</b>

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 2018

	Notes	2018 £	2018 £	2017 £	2017 £
<b>Fixed assets</b>					
Tangible assets		880		1,320	
<b>Current assets</b>					
Debtors	14	68,361		109,628	
Cash at bank and in hand		162,863		286,209	
		231,224		395,837	
<b>Creditors: amounts falling due within one year</b>	15	(473,101)		(358,453)	
<b>Net assets</b>			(240,997)		38,704
<b>The funds of the charity:</b>					
<b>Funds and reserves</b>					
<b>Income funds:</b>					
Unrestricted funds					
General funds			(241,227)		38,474
Restricted funds			230		230
			(240,997)		38,704

Approved by the trustees and signed on their behalf by:



Tim Patrick Edwards

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

Approved on:

30/12/19

## Statement of cash flows Year to 31 December 2018

	Notes	2018 £	2017 £
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	A	<b>(141,558)</b>	(160,350)
<b>Cash flows from investing activities:</b>			
Bank interest received		<b>156</b>	180
<b>Net cash provided by investing activities</b>		<b>156</b>	180
<b>Change in cash and cash equivalents in the year</b>		<b>(141,402)</b>	(160,170)
<b>Cash and cash equivalents at 1 January 2018</b>	B	<b>286,209</b>	451,391
<b>Change in cash and cash equivalents due to exchange rate movements</b>		<b>18,056</b>	(5,012)
<b>Cash and cash equivalents at 31 December 2018</b>	B	<b>162,863</b>	286,209

Notes to the statement of cash flows for the year to 31 December 2018.

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

	2018 £	2017 £
<b>Net (expenditure) income (as per the statement of financial activities)</b>	<b>(279,701)</b>	(81,430)
<b>Adjustments for:</b>		
Bank interest receivable	<b>(156)</b>	(180)
Foreign exchange losses (gains)	<b>(18,056)</b>	5,012
Decrease in debtors	<b>41,267</b>	(57,842)
Increase in creditors	<b>114,648</b>	(24,589)
Increase in fixed assets	<b>440</b>	(1,321)
<b>Net cash provided by (used in) operating activities</b>	<b>(141,558)</b>	(160,350)

### B Analysis of cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	<b>162,863</b>	286,209
<b>Total cash and cash equivalents</b>	<b>162,863</b>	286,209

## **Principal accounting policies Year to 31 December 2018**

### **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 2018.

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. In accordance with the SORP grants approved prior to the year-end have been accrued as grants payable and will be paid in the following year. 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 2018

### **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 2018

### **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.

### **Pensions**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the statement of financial activities in the period to which they relate.



## **Principal accounting policies Year to 31 December 2018**

### **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 2018**

### **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.

**1 Income from donations and legacies**

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Donations from individuals	348,339	490	348,829	412,317
Trusts	18,884		18,884	21,825
Legacies	6,166		6,166	66,980
Gift Aid receivable	64,348		64,348	77,510
	437,737	490	438,227	578,632

**2 Income from other trading activities**

	Unrestricted funds £	Restricted funds £	2018 Total funds £	2017 Total funds £
Events	14,782		14,782	40,641

**3 Income from investments**

	Unrestricted funds	
	2018 Total funds £	2017 Total funds £
Bank interest receivable	156	180

**4 Expenditure on raising funds**

	Unrestricted funds	
	2018 Total funds £	2017 Total funds £
Fundraising, publicity, promotion		
· Staff costs	18,019	17,690
· Direct costs	87,437	75,786
· Allocation of support costs (note 7)	19,579	21,480
	125,035	114,956

**5 Charitable activities**

	Unrestricted funds £	Restricted funds £	2018 Total £	2017 Total £
<b>Awareness</b>				
. Staff costs	40,696		<b>40,696</b>	39,378
. Direct costs	38,247		<b>38,247</b>	36,223
. Allocation of support costs (note 7)	14,657		<b>14,657</b>	17,373
	<u>93,600</u>		<u><b>93,600</b></u>	<u>92,974</u>
<b>Health, medical, nutritional, community relations and research</b>				
. Grants	448,522	490	<b>449,012</b>	400,843
. Allocation of support costs (note 7)	83,275		<b>83,275</b>	92,110
	<u>531,797</u>	<u>490</u>	<u><b>532,287</b></u>	<u>492,953</u>
<b>Total</b>	<u>625,397</u>	<u>490</u>	<u><b>625,887</b></u>	<u>585,927</u>

**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, [ £295,750 ] (2017 - £256,325).
- To The Chingari Trust, a non-government organisation devoted to the cause of Bhopal gas victims, grants of [ £142,884 ] (2017 - £139,887).

Other grants during the year totalled [ £10,378 ] (2017 - £4,401).

**7 Support costs**

	2018 £	2017 £	Basis of apportionment
Staff costs	<b>76,366</b>	70,465	Pro-rata by expenditure
Governance costs (note 8)	<b>8,703</b>	9,026	Pro-rata by expenditure
Other costs	<b>32,442</b>	51,471	Pro-rata by expenditure
	<u><b>117,511</b></u>	<u>130,962</u>	
<b>Attributed to:</b>			
Expenditure on raising funds (note 4)	<b>19,579</b>	21,480	
Expenditure on charitable activities			
. Awareness (note 5)	<b>14,657</b>	17,373	
. Health, medical, nutritional, community relations and research (note 5)	<b>83,275</b>	92,110	
	<u><b>117,511</b></u>	<u>130,962</u>	

**8 Governance costs**

	<b>2018 Total £</b>	<b>2017 Total £</b>
Audit and accountancy	116	4,664
Independent examination	1,680	0
Trustees' expenses	6,907	4,362
	<b>8,703</b>	<b>9,026</b>

**9 Net (expenditure) income and net movement in funds**

This is stated after charging:

	<b>2018 Total £</b>	<b>2017 Total £</b>
Staff costs (note 10)	135,083	127,533
Charges under operating leases	8,500	9,500
Auditor's remuneration		4,664
Independent Examiner's fee current year	1,680	
	<b>145,263</b>	<b>141,697</b>

**10 Employees and staff costs**

Staff costs during the year were as follows:

	<b>2018 £</b>	<b>2017 £</b>
Wages and salaries	125,210	119,762
Pensions	2,665	
Social security costs	7,207	7,771
	<b>135,083</b>	<b>127,533</b>

No employees earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year (2017 - none).

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

	<b>2018 number</b>	<b>2017 number</b>
Administrator	1.0	1.0
Finance officer	0.8	0.8
Administration officer	0.5	0.5
SFOB organiser	—	—
Campaign manager	1.0	1.0
Fundraiser and events	0.7	0.7
	<b>4.0</b>	<b>4.0</b>

**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:

	2018 £	2017 £
Consultancy and Management fees	66,649	57,482
Consultancy - office	5,673	5,625
	<b>72,322</b>	<b>63,107</b>

Analysed by function:

	2018 £	2017 £
Communications and fundraising	32,146	31,874
Executive trustee	5,673	5,625
Database fundraiser	14,609	16,204
Grants and trusts fundraiser	11,125	336
Other	8,769	9068
	<b>72,322</b>	<b>63,107</b>

**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 [ £37,819 ] (2017 - £37,499 ) in his capacity as Managing Trustee. This is permissible under the Memorandum and Articles of Association of the charity. One other trustee, Jane Sabherwal, was remunerated [ £2,903 ] (2017 – nil) in respect of her services, for which the trustees have submitted a report to the charity regulator.

During the year out of pocket travelling expenses amounting to [ £3,217 ] (2017 - £1,739 ) were reimbursed to [ five ] trustees (2017 - six trustees).

During the year, the total amount donated by trustees to the charity was [ £568 ] (2017 - £480 ). 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.

**13 Debtors**

	2018 £	2017 £
Prepayments	5,652	6,812
HMRC Gift Aid	39,395	38,232
Legacies	19,729	61,248
Other debtors	3,584	3,336
	<b>68,360</b>	<b>109,628</b>

**14 Creditors: amounts falling due within one year**

	2018 £	2017 £
Expense creditors	15,656	13,724
Social security and other taxes	2,319	2,626
Accrued grants	438,634	331,645
Accruals and deferred income	16,492	10,459
	<b>473,101</b>	<b>358,454</b>

**15 Related party transactions**

During the year the Bhopal Medical Appeal awarded a grant of [ £295,750 ] (2017 - £256,325 ) 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.

**16 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.

**17 Ultimate control**

The charity was controlled throughout the period by the trustees.

**18 Comparative information**

Comparative amounts, by fund, are as follows:

	Unrestricted funds £	Restricted funds £	2017 Total funds £
<b>Income and expenditure</b>			
<b>Income from:</b>			
Donations and legacies	578,402	230	<b>578,632</b>
Other trading activities	40,641	—	<b>40,641</b>
Investments	180	—	<b>180</b>
Foreign exchange gains	—	—	—
<b>Total income</b>	<b>619,223</b>	<b>230</b>	<b>619,453</b>
<b>Expenditure on:</b>			
Raising funds	114,956		<b>114,956</b>
Charitable activities			
Awareness	92,974		<b>92,974</b>
Health, medical, nutritional, community relations and research	492,723	230	<b>492,953</b>
<b>Total expenditure</b>	<b>700,653</b>	<b>230</b>	<b>700,883</b>
<b>Net income and net movement in funds</b>	<b>(81,430)</b>	<b>—</b>	<b>(81,430)</b>