

Bhopal Medical Appeal

Annual Report and Financial Statements

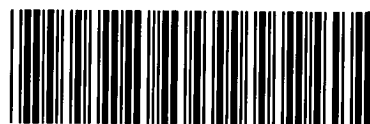
31 December 2017

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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Contents

Reports

Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2
Independent auditor's report	23

Accounts

Statement of financial activities	26
Balance sheet	27
Statement of cash flows	28
Principal accounting policies	29
Notes to the financial statements	34

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) Jane Sabherwal (Appointed November 5 th , 2017) Mike Embley Kathy Jenkins Dr Chandana Mathur Avaes Mohammed Satinath Sarangi Prof Subir Sarkar
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Company registration number	5826888 (England and Wales)
Charity registration number	1117526 (England and Wales) SCO43904 (Scotland)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	CAF Bank Limited PO Box 289 West Malling M19 4TA

Trustees' report Year to 31 December 2017

The trustees present their statutory report together with the financial statements of the Bhopal Medical Appeal (BMA) for the year ended 31 December 2017.

The financial statements have been prepared in accordance with the accounting policies set out on pages 29 to 33 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 2017 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 £21,349 on national press advertising, generating an off-the-page return of £38,939 from 417 respondents, of which 252 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 strongly encouraging, as new donors totalled 66.9% of total respondents. These results demonstrate the continuing value of print advertising, even within a general context of shrinking 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 2017 the BMA mailed both a letter and news magazine to supporters. Mailed in early summer, the letter described the Sambhavna Clinic 20th anniversary celebration which took place in the Autumn of 2016; provided an overview of Sambhavna's development over twenty years and the clinic's ethos and achievements; detailed the growing need for the services of both Sambhavna Clinic and the Chingari Children's Centre; and communicated the acute impact upon the value of foreign exchange transfers to both clinics brought about by a steep drop in value of sterling following the UK's vote to leave the European Union. The magazine presented new medical research undertaken by Sambhavna, profiled beneficiaries of Chingari, updated supporters on legal developments and published news of outstanding supporter contributions, including challenge and arts events. The mailing, which made an express appeal for committed giving, raised £67,412 in donations and approximately £10,600 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 just over £8,000 direct donations over the course of the year, as well as several new direct debits totalling £443.

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 to 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 33rd anniversary in December 2017. The anniversary card mailing raised £10,171 from 126 donors.

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. Content has been substantially added to throughout 2017, with particular enhancements to the donation page.

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 £66,980 in 2017.

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. Geddes gifted the charity £50,000 in February/March in memory of her late mother. Mrs. Pedder lost her husband Sam in April, since when her family and friends have given donations amounting to approximately £2,600. Alison Corfield (a former litter-picker at Glastonbury) visited our office in September to present a cheque for £10,000 in memory of her mother.

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

In 2017, two runners, Karen O'Brien and Mark Whyte, completed the 9th April Brighton Marathon on behalf of the charity. Very special thanks to Mark, who ran the Garioch Half Marathon beforehand, as well as the Stirling Marathon in May. Our first official London Marathon entrant, Jon Copestake, finished in the top quartile of 40,000 runners, raising a remarkable £3,100 in sponsorships. Jon is a highly respected researcher and writer for the Economist Intelligence Unit. One runner, Owen Pugh completed the 30th April Hackney Half Marathon for the charity. Eight runners took part in the British 10k London Run on Sunday, 9th July on behalf of the charity, raising over £3,100 from sponsors. Our thanks to all those who helped fundraise and support runners on the day. On 19th November, longstanding supporter Martin Hodges completed the Brighton 10K for the charity, having recently recovered from an injury. We thank all those who made such strides to support the BMA's challenge events. 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.

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 in April 2018.

Public talks

In September, Chingari Information Officer, Tabish Ali, visited the UK and gave several public talks, beginning at Elm Grove Primary School, Brighton. Mr. Ali also presented to the congregation of St Peter's Church, Gildersome near Leeds on September 24th in an event organised by charity supporter Sylvia Cornfield. The congregation learned about the running of Chingari and the work devoted to helping disabled children. Mr. Ali explained that over 800 children are registered with Chingari, of which the Centre is able to treat 200 at a time. He emphasised the need for development of new and larger premises. The talk also provided detail on the Bhopal disaster and its catastrophic effect upon the health and wellbeing, describing successful therapies developed by Sambhavna. Mr. Ali subsequently made a presentation at Queen Margaret University, Edinburgh to allied health teaching professionals and students. It is hoped that the event will lead to future collaboration and possible student placements 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, most recently 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. The charity's managing trustee and his wife, Farah Edwards, helped to take 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. Students and their parents were also encouraged to sign up to a Color Run in Brighton on September 23rd. Over 50 parents and children later took part, raising over £3,000 in sponsorships. In the autumn, Elm Grove Primary created a spectacular hand-drawn mural inspired by the artist Stephen Wiltshire that was presented to Mr. Tabish Ali, who in exchange gifted artworks created by the children at Chingari's Rehabilitation Centre. Our thanks to every teacher, parent and child who gave so much time and heat in order to make the programme a memorable success. In 2018, the charity intends to offer the programme to additional local schools, as well as those further afield.

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 into 2017, and was actively promoted by the café upon social media.

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, 21st 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.

In December, Yoga for Bhopal events marked the 33rd anniversary of the Bhopal Disaster, with classes held across the UK to generate awareness of ongoing issues in Bhopal, as well as to raise funds to support Sambhavna's vital work with survivors. In Somerset, Adele Robertson held an event at Pilton Working Men's Club featuring postures to help breathing and meditation practices, also providing refreshments and a showing of the film *Sambhavna*. At Clements Hall in York, Dr Laura Potts, an Iyengar Yoga teacher, led a restorative session followed by Indian snacks and tea alongside a showing of *Sambhavna*. Emma Rattenbury hosted a session at the Sheffield Yoga Centre, followed by a showing of *Sambhavna* along with tea and cake. Erling McCracken arranged a special, one-day antenatal yoga workshop on the Isle of Wight hosted by Abigail Peck. Abigail is a perinatal Yoga teacher, doula and co-director of the Acquaviva School of Yoga, specialising in prevention and recovery from common injuries associated with pregnancy and childbirth. Yoga for Bhopal returned to Edinburgh on December 3rd. Meaghan Delahunt arranged a series of yoga classes at the Santosa Yoga and Meditation studio.

Our thanks to all those who organised and participated in these inspiring events for their passion and enthusiasm. The December initiative raised over £1,500 for the charity. 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: Miss K M Harbinson's Charitable Trust; The Paget Trust (Joanna Herbert-Stepney); The Eva Reckitt Trust Fund; The Oliver Stanley Charitable Trust; The Westcroft Trust; The Ericson Trust (Claudia Cotton, Trustee); and The Donald Forrester Trust. In all, a total of £21,824 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 2017. As ever, these include the redoubtable Gudrun Hansen, who yet again donated amounts of her time to 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 thanks go to Angela Corrie, who vowed to climb Ben Nevis prior to her 70th birthday in January 2018. She achieved this on June 7th, reaching the summit with her husband in 5hrs 45 minutes. Our congratulations go to Angela for achieving her goal, along with our sincere gratitude for raising £800 to help support our work in Bhopal. Special thanks also to Ian Dennis, who masterminded a great evening of entertainment at the South Street Arts Centre, Reading, on June 17th. After playing a Bhopal benefit in Shepton Mallet last November, Ian's Social Club band members were inspired to host a fundraiser of their own, featuring their band, Tommy Lindsell, The Bacuma Boys, and duo act Simon Mayor and Hilary James. The art raffle and tickets raised over £2,000, a remarkable achievement. Our thanks to all involved.

Supporter Annie Murray has demonstrated enormous commitment to the charity since the early 2000's. On June 25th, Annie organised a successful appeal to friends in Reading Quaker Group. Annie has also run the London 10K five times to support the charity. Our gratitude for her tireless support. Thank you also to Dominique Hudson who supported the charity at LeftFest in Southampton this summer with a table top sale, signing up ten more supporters for email updates. Our thanks also to Janet Pitt who celebrated her 80th Birthday in August with an exhibition of her own sculptures and paintings. She wrote; 'I chose Bhopal as my second charity – I am always impressed by the wonderful work you do and by the people you help.' In September, Donald Willats organised a colleague reunion event and collection. David Fogg held a 'Cakeathon' on his November 5th birthday and Linacre College, Oxford held another supporter event in November. Supporter Margaret Forbes held a table top sale. Olivia Dell has supported the charity for several years via the sale of handmade peg dolls; the 'pegs' are on sale in a local shop 'made in Stroud'. In November, Fiona and Mike Case once again raised money for the charity at their pub fireworks event, and even more with their advent calendar fundraising.

We would also like to make a special mention of Jeff Mathews, who raised money by selling wooden craft items on the run up to Christmas; the Missionary Society of St Columban; Barbara Vidion and her women's group from Sidmouth, also to Exeter Quakers, Hastings Local Quakers and the Sutton Coldfield Local Quaker Meeting.

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.

Trustees' report Year to 31 December 2017

GRANT-MAKING POLICY (continued)

The BMA contributed £256,325 to the running costs of the Sambhavna Trust in 2017 (2016 - £246,963).

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 £139,887 to the running costs of Chingari Trust in 2017 (2016 - £102,671).

FINANCIAL REVIEW

Results for the year

Income from donations and legacies and other trading activities amounted to £619,273 in 2017 (2016 - £548,296), which represents an increase of £70,977 on the previous year. The increase reflects the presence of significant legacy gifts compared to the previous year. The BMA received legacies of £66,980 during the year (2016 - £1,600). Investment income for the year decreased to £180 from £743, resulting in total income of £619,453 (2016 - £549,039). This represents an overall increase of 12.5% (2016 - decrease of 24%). The BMA made a grant to Sambhavna Trust of £256,325 in 2017 (2016 - £246,963), an increase of £9,362, or 3.8% on 2016, due to annual interest rate rises in India. A grant of £139,887 (2016 - £102,671) was also made to Chingari Trust, an increase of £37,216 or 36% over 2016, which includes a periodic salary review, recruitment of additional staff and expanded services.

Trustees' report Year to 31 December 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 £92,974 (2016 - £87,831) was dedicated to this during 2017, which covers staff costs, advertising, publications and some campaign activities. This amounted to an increase of 6% on 2016'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 £366,113 (2016 - £330,402). 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 £38,704 (2016 - £120,134), 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 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 £286,209 (2016 - £451,391).

Trustees' report Year to 31 December 2017

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. 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. The trustees confidently expect that cautious development of this programme over 2018 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

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. 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 2018. 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 (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 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. The charity received no complaints in relation to its fundraising for the year and has not placed unreasonable pressure on any potential donor, nor been unreasonably intrusive or persistent in its approach to soliciting donations.

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 3 times in 2017. 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.

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)

Recruitment and appointment of Trustees (continued)

Trustee

Vincent Laurie Macpherson Flynn
Michael Embley
Tim Patrick Edwards
Kathleen Jenkins
Dr Chandana Mathur
Avaes Mohammed
Jane Sabherwal
Satinath Sarangi
Eurig Scandrett
Professor Subir Sarkar

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.

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 2017 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.

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)

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.

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

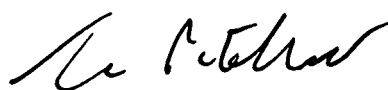
Patrons and advisers

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:



T EDWARDS

Approved on:

26/9/18

Independent auditor's report to the trustees and members of Bhopal Medical Appeal

Opinion

We have audited the financial statements of Bhopal Medical Appeal (the 'charitable company') for the year ended 31 December 2017 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at date 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 regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ◆ the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ◆ the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditor's report Year to 31 December 2017

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions 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 the 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 in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- ◆ proper and 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 take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report Year to 31 December 2017

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company'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 Trustee 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 charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



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

Date: 26/9/18

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 31 December 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
Income and expenditure					
Income from:					
Donations and legacies	1	578,402	230	578,632	509,916
Other trading activities	2	40,641	—	40,641	38,380
Investments	3	180	—	180	743
Total income		619,223	230	619,453	549,039
Expenditure on:					
Raising funds	4	114,956	—	114,956	105,116
Charitable activities					
Awareness	5	92,974	—	92,974	87,871
Health, medical, nutritional, community relations and research	5	492,723	230	492,953	444,723
Total expenditure		700,653	230	700,883	637,710
Net (expenditure) income and net movement in funds		(81,430)	—	(81,430)	(88,671)
Reconciliation of funds					
Fund balances brought forward at 1 January 2017		119,927	207	120,134	208,805
Fund balances carried forward at 31 December 2017		38,497	207	38,704	120,134

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 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible assets		1,320		—	
Current assets					
Debtors	14	109,628		51,786	
Cash at bank and in hand		286,209		451,391	
		395,837		503,177	
Creditors: amounts falling due within one year	15	(358,453)		(383,043)	
Net assets			38,704		120,134
The funds of the charity:					
Funds and reserves					
Income funds:					
Unrestricted funds					
General funds			38,497		119,927
Restricted funds			207		207
			38,704		120,134

Approved by the trustees and signed on their behalf by:



T EDWARDS

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

Approved on:

26/9/18

Statement of cash flows Year to 31 December 2017

	Notes	2017 £	2016 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	(160,350)	82,706
Cash flows from investing activities:			
Bank interest received		180	743
Net cash provided by investing activities		180	743
Change in cash and cash equivalents in the year		(160,170)	83,449
Cash and cash equivalents at 1 January 2017	B	451,391	388,009
Change in cash and cash equivalents due to exchange rate movements		(5,012)	(20,067)
Cash and cash equivalents at 31 December 2017	B	286,209	451,391

Notes to the statement of cash flows for the year to 31 December 2017.

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

	2017 £	2016 £
Net (expenditure) income (as per the statement of financial activities)	(81,430)	(88,671)
Adjustments for:		
Bank interest receivable	(180)	(743)
Foreign exchange losses (gains)	5,012	20,067
Decrease in debtors	(57,842)	3,774
Increase in creditors	(24,590)	148,279
Increase in fixed assets	(1,320)	—
Net cash provided by (used in) operating activities	(160,350)	82,706

B Analysis of cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	286,209	451,391
Total cash and cash equivalents	286,209	451,391

Principal accounting policies Year to 31 December 2017

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 2017.

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 2017

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 2017

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 2017

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 2017

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 2017

1 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
Donations from individuals	412,087	230	412,317	418,315
Trusts	21,825	—	21,825	15,920
Legacies	66,980	—	66,980	1,600
Gift Aid receivable	77,510	—	77,510	74,081
	<u>578,402</u>	<u>230</u>	<u>578,632</u>	<u>509,916</u>

2 Income from other trading activities

	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
Events	40,641	—	40,641	38,380

3 Income from investments

	Unrestricted funds	
	2017 Total funds £	2016 Total funds £
Bank interest receivable	180	743

4 Expenditure on raising funds

	Unrestricted funds	
	2017 Total funds £	2016 Total funds £
Fundraising, publicity, promotion		
· Staff costs	17,690	14,256
· Direct costs	75,786	68,384
· Allocation of support costs (note 7)	21,480	22,476
	<u>114,956</u>	<u>105,116</u>

Notes to the financial statements 31 December 2017

5 Charitable activities

	Unrestricted funds £	Restricted funds £	2017 Total £	2016 Total £
Awareness				
. Staff costs	39,378	—	39,378	38,393
. Direct costs	36,223	—	36,223	30,690
. Allocation of support costs (note 7)	17,373	—	17,373	18,788
	<u>92,974</u>	<u>—</u>	<u>92,974</u>	<u>87,871</u>
Health, medical, nutritional, community relations and research				
. Grants	400,613	230	400,843	349,633
. Allocation of support costs (note 7)	92,110	—	92,110	95,090
	<u>492,723</u>	<u>230</u>	<u>492,953</u>	<u>444,723</u>
Total	<u>585,697</u>	<u>230</u>	<u>585,927</u>	<u>532,594</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, £256,325 (2016 - £246,963).
- To The Chingari Trust, a non-government organisation devoted to the cause of Bhopal gas victims, grants of £139,887 (2016 - £102,671).

Other grants during the year totalled £4,401 (2016 - £nil).

7 Support costs

	2017 £	2016 £	Basis of apportionment
Staff costs	70,465	72,035	Pro-rata by expenditure
Governance costs (note 8)	9,026	8,423	Pro-rata by expenditure
Other costs	51,471	55,896	Pro-rata by expenditure
	<u>130,962</u>	<u>136,354</u>	
Attributed to:			
Expenditure on raising funds (note 4)	21,480	22,476	
Expenditure on charitable activities			
. Awareness (note 5)	17,373	18,788	
. Health, medical, nutritional, community relations and research (note 5)	92,110	95,090	
	<u>130,963</u>	<u>136,354</u>	

Notes to the financial statements 31 December 2017

8 Governance costs

	2017 Total £	2016 Total £
Audit and accountancy	4,664	4,904
Legal fees	—	765
Trustees' expenses	4,362	2,754
	<u>9,026</u>	<u>8,423</u>

9 Net (expenditure) income and net movement in funds

This is stated after charging:

	2017 Total £	2016 Total £
Staff costs (note 10)	127,533	124,684
Charges under operating leases	9,500	8,500
Auditor's remuneration		
Statutory audit services (excluding VAT)		
current year	4,664	4,904
	<u>133,926</u>	<u>138,088</u>

10 Employees and staff costs

Staff costs during the year were as follows:

	2017 £	2016 £
Wages and salaries	119,762	117,208
Social security costs	7,771	7,476
	<u>127,533</u>	<u>124,684</u>

No employees earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year (2016 - none).

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

	2017 number	2016 number
Administrator	1.0	1.0
Finance officer	0.8	0.8
Administration officer	0.5	0.6
Campaign manager	1.0	1.0
Fundraiser and events	0.7	0.7
	<u>4.0</u>	<u>4.1</u>

Notes to the financial statements 31 December 2017

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:

	2017 £	2016 £
Consultancy and Management fees	57,482	52,855
Consultancy - office	5,625	5,455
	<u>63,107</u>	<u>58,310</u>

Analysed by function:

	2017 £	2016 £
Communications and fundraising	31,874	30,950
Executive trustee	5,625	5,455
Database fundraiser	16,204	15,589
Grants and trusts fundraiser	336	886
Other	9,068	5,430
	<u>63,107</u>	<u>58,310</u>

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 £37,499 (2016 - £36,405) 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 £1,739 (2016 - £2,378) were reimbursed to six trustees (2016 - four trustees).

During the year, the total amount donated by trustees to the charity was £480 (2016 - £260).

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 2017

14 Debtors

	2017 £	2016 £
Prepayments	6,812	6,942
HMRC Gift Aid	38,232	34,851
Legacies	61,248	—
Other debtors	3,336	9,993
	<u>109,628</u>	<u>51,786</u>

15 Creditors: amounts falling due within one year

	2017 £	2016 £
Expense creditors	13,723	11,953
Social security and other taxes	2,626	2,811
Accrued grants	331,645	349,633
Accruals and deferred income	10,459	18,646
	<u>358,453</u>	<u>383,043</u>

16 Related party transactions

During the year the Bhopal Medical Appeal awarded a grant of £256,325 (2016 - £246,963) 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:

	Unrestricted funds £	Restricted funds £	2017 Total funds £
Income and expenditure			
Income from:			
Donations and legacies	508,450	1,466	509,916
Other trading activities	32,371	6,009	38,380
Investments	743	—	743
Foreign exchange gains	—	—	—
Total income	541,564	7,475	549,039
Expenditure on:			
Raising funds	105,116	—	105,116
Charitable activities			
Awareness	87,871	—	87,871
Health, medical, nutritional, community relations and research	437,455	7,268	444,723
Total expenditure	630,442	7,268	637,710
Net income and net movement in funds	(88,878)	207	(88,671)