

LAMB HEALTH CARE FOUNDATION

Annual Report 14 for the year to 31 December 2017

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Registered charity no. 1101217
www.lhcf.org.uk
56a St. Peter's Road, Reading, RG6 1PH.

LAMB Health Care Foundation
CHAIR'S STATEMENT for the year 1 to 31 December 2017

I started this year anxious because the exchange rate from sterling to Bangladesh taka had fallen horribly, at its worse by 20%. The priority of LHCF is to make grants for the hospital's Poor Fund, which meets the cost of treatment for those patients who cannot pay, and the worry was that with insufficient funds, poor people would be turned away. But our supporters have amazingly increased their giving this last year by almost a third - enough to prevent this from happening. For this we give thanks to our God, and to our supporters!

So it is with great pleasure that I present to you the 2017 annual report for LAMB Health Care Foundation. We so often forget how fortunate we are in this country to have the NHS – despite its faults. We know that if we're sick, we will be able to get the treatment we need. Although much is changing for the better in Bangladesh, this is still not the case. Richer people are able to pay for healthcare, but for the poor there is often no service at all, and an illness in the family can plunge the whole family into ruin. So this is the reason we work so passionately to support LAMB in north west Bangladesh.

The Poor Fund continues to have huge demands made on it and, during a visit to LAMB, it was reassuring to see, the careful and compassionate way in which it is administered. Approximately 5,000 patients were helped by the Poor Fund in 2017. Grants by LHCF to support the work of LAMB increased by a quarter to £127,224. In addition to this, the grant from the UK Department for International Development, for the project working to decrease child marriage, was £84,319.

Three trustees have visited LAMB this last year. In 2017 Dr Christine Edwards, who is a trustee, visited twice to continue staff training and perform many complicated fistula operations. Richard Todd visited briefly and was able to catch up with Ashirbad work. I visited with my husband for six weeks to work in the hospital covering for the two Korean doctors who took a much needed break.

On behalf of the many people helped by LAMB, I say 'thank you' to our supporters and those who work at LAMB. We continue to pray that the influence of LAMB will spread throughout Bangladesh and that we will see both compassion for those in need and the quality of medical services improve.

Rosemary Croft – Chair of Trustees

28 March 2018

LAMB Health Care Foundation

The Activities of LAMB (Lutheran Aid to Medicine in Bangladesh)

LAMB is based in Parbatipur in north-west Bangladesh. It offers affordable and appropriate health care to a catchment area of over around 2 million people and promotes community development for about 4.5 million people, with emphasis on the rights of women and children. The primary benefit to people who LAMB serves is better health and the ability to maintain and develop their livelihoods in the face of many challenges to living well.

What are LAMB's Objectives and Ends?

The broad aim for LAMB is to see people in Bangladesh, transformed by the love of God, experiencing abundant life living in healthy and just communities.

This is focused to the more specific aims:

- People most in need, especially the poorest of the poor, have improved health
- Appropriate health policies are implemented by the Government health providers
- Community leaders take responsibility for health and justice in their communities
- Communities deliver and sustain equitable, accessible health and social systems

Across all these aims, people in contact with LAMB experience the love of Christ and are offered help to understand what they experienced.



What services does LAMB provide?

An integrated household-to-hospital continuum of care through

- training of village health volunteers to work in their own communities
- support to communities to set up and manage health care centres
- a 150-bed hospital, specialising in obstetrics and gynaecology, paediatrics, surgery and medicine. Each year the hospital admits over 10,000 in-patients and sees over 68,000 out-patients

A disability programme, with community clinics for initial contact, training, therapy and support for families. A residential unit provides extensive support, including assistive devices. The work improves the status of the disability who are marginalised within their communities.

Nurse training is run under a government approved scheme. There is a training centre, providing classroom and hands on training for government, NGO and other health workers. In particular the training of safe birth attendants is provided to other organisations.

International research addressing key rural health problems in Bangladesh.

An English-medium school for the children of staff and others.

LAMB Health Care Foundation

The Activities of LAMB (continued)

How does LAMB benefit the people of Bangladesh?

LAMB charges for its health services where possible and obtains other income from training, technical assistance and consultancy work. From the start LAMB has remained committed to serving the poor, regardless of ability to pay, and in an area where a labourer's wage is less than £2 a day. On arrival patients are assessed for the ability to pay their bills, and if they qualify for a subsidy they will be told, which reduces any anxiety they had. Many patients need help with fees, which means that LAMB requires continuing external grant income to maintain these services.

LAMB budgets about £125,000 a year providing subsidies to make affordable health care available to the poorest people in the communities. The average subsidy for poor patients admitted to the hospital in 2017 was an average of £31 for each treatment, although some much larger sums are involved. The Poor Fund paid for 2,421 inpatients and 2,518 outpatients to be treated who may not otherwise have been able to afford it. The benefits of individuals being restored to good health also extends to their family and community members. Every day at LAMB people of all ages are being restored to healthy livelihoods.

LAMB relies upon LHCF grants for the Poor Fund

In 2017 LHCF sent £90,000 for LAMB's Poor Fund plus an extra 10% towards managing it. This £99,000 enabled many of the poorest people to receive subsidised treatment. At present LAMB has no other significant recurring source of income to fund the Poor Fund, so the Foundation plays a key role by making grants for this purpose.

LAMB community health work among adolescents

LAMB works to reduce maternal and infant mortality through good healthcare. A developing focus to achieve these aims is to increase health education directed at reducing pregnancies in very young mothers which are high risk. Community education programmes reach out among adolescents, families and community leaders.

The Ashirbad project, funded by DfID and managed by LHCF, is a three year programme in Badarganj. This is one of the poorest communities of half a million people to the east of LAMB. The project is reaching over 24,000 adolescents over three years from 2015 to 2018, as well as involving parents, teachers and community leaders.



Ashirbad adolescent girls group



Community leaders and LAMB Ashirbad staff

For more information on LAMB please refer to www.lambproject.org

LAMB Health Care Foundation

TRUSTEES' REPORT for the year to 31 December 2017

The Trustees of the LAMB* Health Care Foundation (the Foundation), registered charity no. 1101217, present the fourteenth annual report and financial statements which are for the year to 31 December 2017.

* Lutheran Aid to Medicine in Bangladesh

Objectives and activities

Objects of the charity

The objects of the Foundation are:-

- (i) the relief of poverty, sickness and disability;
- (ii) the advancement of education;
- (iii) the preservation and protection of good health;
- (iv) to promote such other charitable purposes according to the laws of England and Wales as the Trustees in their absolute discretion think fit.

The area of benefit is Bangladesh and South Asia.

Activities

The Trustees have decided that for the time being they will achieve the objectives of the Foundation by supporting LAMB through raising funds to provide financial support, and to make known its model of integrated health care and community development.

The activities of LAMB are summarised on pages 3 and 4.

The Trustees authorise grants to LAMB for purposes which LAMB has requested and which are within the Foundation's objectives.

The Foundation is a Christian organisation and the Trustees believe that God both guides and helps them in management decisions and fund raising. We thank God for all the supporters, their generosity and for their prayers for the work of the Foundation and of LAMB.

Achievements for the year

Recurring donations increased to achieve the target of £100,000. This income shows an increase of a third compared with the previous year. The Trustees recognise the commitment of both the group of long term regular donors and those who have started in the year. Regular income by standing order meets about half the grants for the Poor Fund, which provides a firm foundation for the future.

Non recurring income was £44,000, earmarked for disability work or unrestricted income. Total donations were £163,442 an increase of 90% over the previous year.

Total income of £247,761, including the DfID grant, shows a 29% increase in total income.

Grants to LAMB for its activities, primarily the Poor Fund, were £127,224.

Grants in respect of the DfID funded Ashirbad project were £85,261

After the significant fall in sterling exchange rates in the previous year there was a modest improvement in the rates which increased the local currency received from the grant. The longer term effect of lower exchange rates has been a concern for the Trustees. We are grateful that increased income has enabled us to offset the bad effect upon grants to LAMB.

LAMB Health Care Foundation

TRUSTEES' REPORT for the year to 31 December 2017 (continued)

The Trustees have satisfied themselves that the grants are used for the purposes intended, in particular to benefit poor people in rural Bangladesh. During the year three trustees visited LAMB to see the activities for themselves. The mid term evaluation of the Ashirbad project showed that it is on course to deliver its objectives.

Funds held by the Foundation have increased by £31,680 to £57,988. Part of this increase restores funds which were depleted in the prior year to meet a higher grant to LAMB. The increase in restricted funds will be used to increase grants to LAMB in 2018.

The increase in unrestricted funds is being held to meet grants in 2018 to cover exchange losses on the Ashirbad project.

DfID grant

The Foundation, in partnership with the LAMB, Bangladesh, is receiving funding from the Department for International Development (DfID) for a project under the Department's Global Poverty Action Fund.

The project aims to improve access to effective sexual and reproductive health services and strengthen the ability to exercise sexual and reproductive health rights for adolescents aged 11-19 in Badarganj sub-district, in rural north-west Bangladesh.

Total project budget is £293,552. Of this The DfID grant is £249,365 over 3 years to July 2018, payable in arrears. The difference of £44,187 is met by matched funding provided by LAMB and LHCF towards equipment and certain staff costs.

This year the Foundation received £84,319 which was paid over as a grant to LAMB. In addition the Foundation paid £1,512 towards the costs of the project which were not covered by DfID funding.

Fundraising

Donations from third parties are used solely for grants in furtherance of the objectives of the Foundation. Donations by trustees and former trustees contribute the unrestricted income, from which the costs of running the Foundation are paid.

The Trustees raise funds by seeking donations from individuals and churches in the UK who wish to support LAMB. Applications are made to grant making trusts, mostly UK based. The challenge is to increase income so that grants can be made to provide LAMB with at least the same level of income in taka as in previous years.

Achievements since Inception

The Foundation's total income during the fourteen years of operation was £2,207,000, from which grants made to LAMB and expenditure in support of its work amount to £2,149,000.

Future Plans

The Trustees intend to continue supporting LAMB, and aim to increase the target recurring income from £100,000 to £115,000 for this purpose in 2018.

It is not in current plans to widen support to other healthcare work in South Asia.

LAMB Health Care Foundation

TRUSTEES' REPORT for the year to 31 December 2017 (continued)

Structure, Governance and Management

Trust Deed

The LAMB Health Care Foundation is a Trust established by a Trust Deed dated 10 January 2003, as amended by a revised Trust Deed dated 31 January 2008.

Trustees

The Trustees met on four occasions in 2017 to deal with the business of the Foundation. Considerable work was undertaken by the trustees in conjunction with LAMB to manage the Ashirbad project with funding from DfID.

The Trustees from 1 January 2017 to 20 January 2018 were:-

Dr Rosemary Croft (Chair)	Nominated by LAMB	(Re-appointed January 2015)
Mr John Ayrton	Elected by Trustees	(Appointed 1 February 2018)
Dr Christine Edwards	Nominated by LAMB	(Re-appointed September 2017)
Mrs Vikki Ford-Powell	Elected by Trustees	(Appointed 1 February 2018)
Dr Judith Hansford	Elected by Trustees	(Re-appointed July 2015)
Mr Jason Hobbs	Elected by Trustees	(Reappointed March 2014; retired 26 September 2017)
Dr Louise Hughes	Elected by Trustees	(Appointed July 2015; resigned 28 November 2017)
Mr Mike Mitchell	Elected by Trustees	(Appointed January 2016)
Mr Richard Todd	Nominated by LAMB	(Re-appointed September 2017)

We are grateful for the enthusiasm of Jason Hobbs and Louise Hughes, who gave generously of their time and skills.

Selection of Trustees

The Deed provides that the body of Trustees shall consist, when complete, of seven persons, being four co-opted Trustees, elected by the Trustees to replace them, and three trustees nominated by the Board of LAMB. Trustees serve for terms of four years after which they can be re-appointed.

Trustees are selected on the basis of their relevant experience and qualifications. It is important that the Trustees include people with experience of life in Bangladesh and in sympathy with the spiritual dimension to LAMB's work. Also important are experience in healthcare, managing institutional grants and in management of the Foundation. Finding replacement Trustees is a priority in 2018.

The responsibilities of charity trustees are explained to them before appointment and they are required formally to accept them. The Trustees ensure that collectively they have the expertise necessary to determine the policy of the Foundation and to manage it, including medical and finance qualifications, and first-hand knowledge of LAMB's work.

LAMB Health Care Foundation

TRUSTEES' REPORT for the year to 31 December 2017 (continued)

Public Benefit

In continuing to support LAMB the Trustees have regard to the Charity Commission's guidance on public benefit. Grants by the Foundation enable LAMB to extend the benefits provided through health care and community development among the population of a poor rural area of Bangladesh. These benefits are available to all members of the community who need them, regardless of their means. The treatment of those who cannot afford to pay even the modest fees charged by LAMB is subsidised in part or whole through a fund maintained by the project known as the Poor Fund. Two trustees visited in the year and saw how Poor

Fund's grants are made for the benefit of the poorest people. It is a priority of the Trustees that grants to the Poor Fund will mean that it has sufficient resources to meet the demand.

Financial Responsibilities

The Trustees are responsible for keeping proper books of account with respect to the affairs of the Foundation. They are also responsible for safeguarding the financial assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The main grants are made only to one non government organisation registered in Bangladesh, and subject to regulatory authorisation. Reporting procedures are in place to ensure that grants to LAMB, the Foundation's main beneficiary, are spent in accordance with grant conditions.

During the year the Trustees adopted a receipts and payments accounting framework, which is a transition from the previous accruals basis. Details of the effects of the transition can be found in note 9.

Risk management

The Trustees keep the risks faced by the Foundation under review. To guard against risk to the financial security of the Foundation, it is the Trustees' policy not to incur any liabilities which are not covered by funds already raised. The risk of fraud is kept to a minimum by the requirement that any expenditure from the Foundation's funds must be authorised by the Trustees collectively and that all grant payments and cheques must be signed by two authorised signatories.

The Trustees have addressed the risk that grants made by the Foundation might not be used for the purposes for which they are given. Annual confirmation is obtained from LAMB that grants have been used for the approved purposes.

The main residual risk identified relates to the need to ensure in the future that Trustees with the necessary expertise and commitment are available to carry on the work. The Trustees are aware of the need to seek successors to maintain a complement of suitable Trustees.

Reserves Policy

The principal activity of the Foundation is to use income to make grants without undue delay. It is the policy of the Trustees not to maintain reserves other than sums held to meet anticipated grant requirements and a modest contingency against an unexpected decline in income. Unrestricted reserves have been increased in anticipation of further grants to cover the adverse effect of exchange losses in connection with the DfID funded Ashirbad project. The increase in restricted reserves will be used to increase grants to LAMB in 2018.

LAMB Health Care Foundation

TRUSTEES' REPORT for the year to 31 December 2017 (continued)

Administration

The Trustees carry on the administrative work of the Foundation themselves and do not employ staff. It is the policy of the Trustees to meet all administrative expenses either out of their own pockets or out of donations which have been made to the Foundation as unrestricted in their use.

Bankers

The Foundation's banker is The Cooperative Bank plc.

Independent Examiner

The independent examiner appointed in the year to examine the Foundation's financial statements is Stewardship, of 1 Lamb's Passage, London EC1Y 8AB.

We are grateful for the work on our behalf by Mr Alan Harland, FCA, over a ten year period.

On behalf of the Trustees

(Signed)

Rosemary Croft
Chairman

Richard Todd
Trustee

28 March 2018

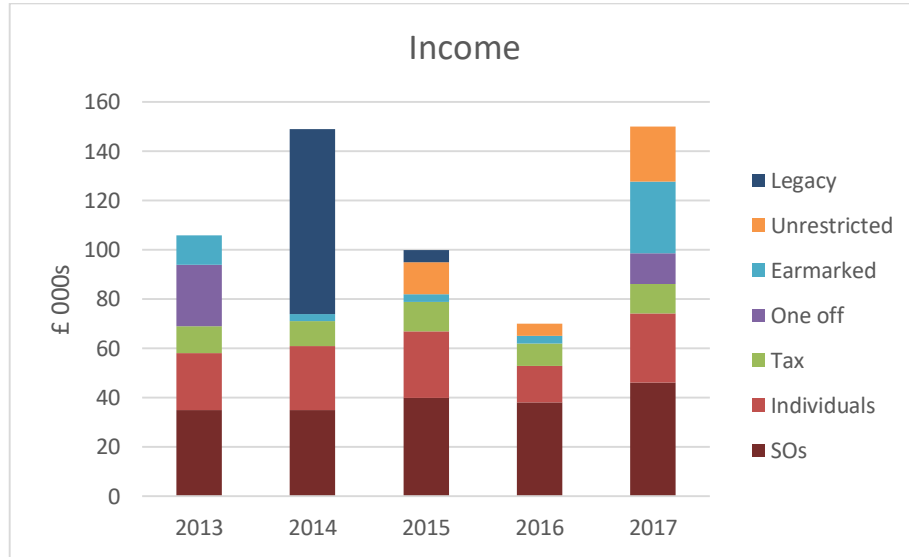


LHCF Trustees

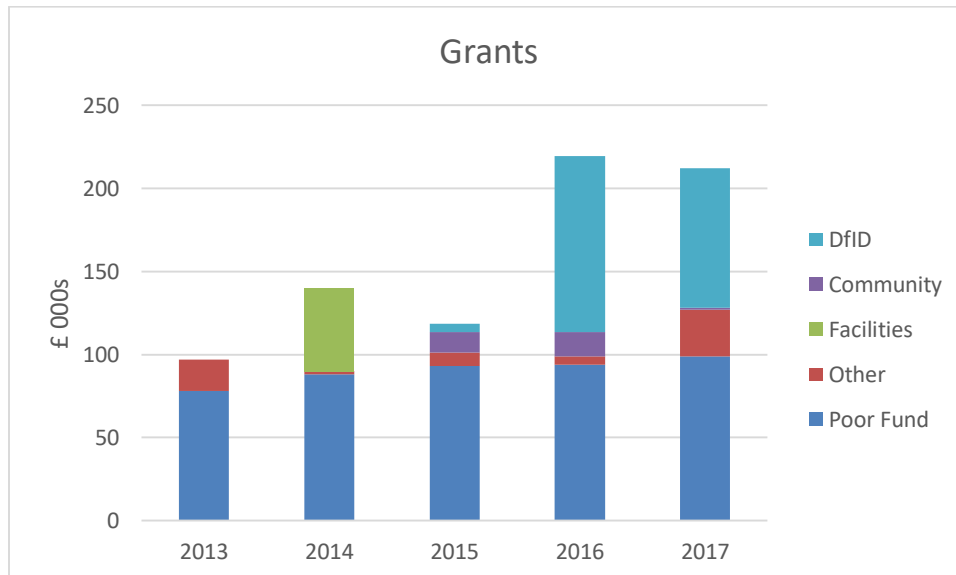
LAMB Health Care Foundation

LHCF Finances at a Glance

These charts show what has happened over the past five years.



2017 saw a marked increase in income to support LAMB's Poor Fund.



Despite a levelling off in the level of grants for the Poor Fund, LHCF continues to meet most of LAMB's Poor Fund expenditure.

LAMB Health Care Foundation

Independent Examiner's Report to the Trustees

I report to the trustees on my examination of the accounts of LAMB Health Care Foundation (the Trust) for the year ended 31 December 2017 on pages 12 to 17 following.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records.

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.

Jacob Farley ACA
For and on behalf of:
Stewardship
1 Lamb's Passage
London EC1Y 8AB
16 April 2018

LAMB Health Care Foundation

Receipts and Payments Account for the year ended 31 December 2017

	Notes	Unrestricted funds £	Restricted funds £	Total funds £	Total 2016 £
Receipts					
<i>Voluntary Receipts</i>					
Donations	4	22,300	141,142	163,442	85,999
Grant from DfID		-	84,319	84,319	105,952
<i>Other Receipts</i>					
Investment income: bank interest		-	-	-	52
Total Receipts		22,300	225,461	247,761	192,003
Payments in respect of the Charity's objectives					
Raising funds					
Newsletter, publicity & event		1,767	-	1,767	1,156
Charitable activities:					
Grants made		942	211,543	212,485	219,044
Transmission fees		-	176	176	158
Managing grant		570	-	570	100
Provision of medical equipment	5	-	626	626	1,921
Other: Governance costs	6	457	-	457	451
Trustee training costs		-	-	-	452
Total Payments		3,736	212,345	216,081	221,203
net receipts/(payments)		18,564	13,116	31,680	(29,200)
Transfers between funds					
Net movement in funds		18,564	13,116	31,680	(29,200)
Total funds brought forward		11,264	15,044	26,308	55,508
Total funds carried forward		29,828	28,160	57,988	26,308

LAMB Health Care Foundation

Assets and Liabilities at 31 December 2017

	Total 2017 £	Total 2016 £
Bank and cash balances		
Cash at bank	57,988	26,308
Other assets and liabilities		
Assets		
Gift aid tax recovery not yet received	2,829	3,160
Liabilities		
Unbilled fee for Independent Examination	(750)	(200)

As indicated on the statement of receipts and payments, £28,160 of the cash held is restricted in nature. Of the other assets and liabilities, £2,829 of the Gift aid recovery is in respect of restricted funds, all other assets and liabilities are in respect of the charity's unrestricted funds.

The accounts on pages 12 to 17 were approved by the Trustees on 28 March 2018 and were signed on their behalf by:

Rosemary Croft
Chairman

Richard Todd
Trustee

LAMB Health Care Foundation

Notes to the financial statements for the year to 31 December 2017

1 Charity Information

LAMB Health Care Foundation is a charity with a registered charity number 1101217. It was established in 2003 and is registered and domiciled in England at the address of 56a St Peter's Road, Reading, RG6 1PH.

2 Basis of Preparation

The accounts have been prepared on a receipts and payments basis with a statement of assets and liabilities.

3 Fund Accounting

Unrestricted funds are monies which can be used in accordance with the charitable objectives at the Trustees' discretion.

Restricted funds arise when the donor specifies the purpose, within the charitable objectives, to which donations are to be put. All donations, and related tax recoveries, to be applied for the benefit of LAMB by making grants to LAMB are restricted.

4 Analysis of receipts

	Unrestricted £	Restricted £	2017 £
Voluntary income			
Donations	17,550	129,253	146,803
Tax refunds on donations	4,750	11,889	16,639
	<u>22,300</u>	<u>141,142</u>	<u>163,442</u>

Over 90% of donations is from individuals; trusts and churches provide the rest of the donations.

	Unrestricted £	Restricted £	2016 £
Voluntary income			
Donations	4,514	73,324	77,838
Tax refunds on donations	266	7,895	8,161
	<u>4,780</u>	<u>81,219</u>	<u>85,999</u>

LAMB Health Care Foundation
Notes to the financial statements for the year to 31 December 2017
(continued)

5 Analysis of payments - Grants	2017	2016
	£	£
Unrestricted	942	8,923
Restricted	211,543	210,121
	<u>212,485</u>	<u>219,044</u>
General note 5.1	127,224	102,090
DfID funding of project note 5.2	84,319	105,952
LHCF funding of project note 5.2	942	8,923
	<u>212,485</u>	<u>219,044</u>

5.1 Grants to LAMB, excluding Ashirbad Project:

	2017	2016
	£	£
Unrestricted	-	-
Restricted	127,224	102,090
	<u>127,224</u>	<u>102,090</u>
Poor Fund	90,000	85,000
Poor Fund management	9,000	8,500
Disability work	24,672	1,550
Community programme	1,000	5,500
Nursing Institute	744	790
Medical equipment	1,533	-
School	275	750
Total General Grants to LAMB	<u>127,224</u>	<u>102,090</u>
General Grants received by LAMB in taka	13,362,000	11,253,000
Average exchange rate £1 = Taka	104.2	102.3

5.2 Grants to LAMB for Ashirbad Project

	2017	2016
	£	£
Unrestricted	942	8,923
Restricted	84,319	105,952
	<u>85,261</u>	<u>114,875</u>

The Foundation, in partnership with the LAMB, Bangladesh has secured funding from the Department for International Development (DfID) for a three-year project, lasting from 2015 to 2018, to improve access to effective sexual and reproductive health services for adolescents aged 11-19 in Badarganj sub-district, Bangladesh.

LAMB Health Care Foundation

Notes to the financial statements for the year to 31 December 2017

(continued)

The charity contributed £942 by way of matched funding in respect of the project. Contributions towards additional teacher training were £532 and a grant of £410 was paid to LAMB to make up for the loss on exchange when sending the DfID grant to Bangladesh. DfID do not contribute additional grants to cover exchange losses. In addition, expenses of the mid term evaluation were £570.

These amounts were paid from Unrestricted Funds, not from general donations to the Foundation.

6 Governance costs

	Unrestricted	Restricted	2017	2016
	£	£	£	£
BOND Subscription	307	-	307	301
Independent examiner's fee	150	-	150	150
	<u>457</u>	<u>-</u>	<u>457</u>	<u>451</u>

7 Declarations on certain matters

7.1 The charity has no paid employees.

7.2 Except for donations by Trustees, there were no transactions with Trustees or related parties.

7.3 All payment or reimbursement of expenses made to any Trustee or to third parties for expenses incurred by any Trustee, were solely in respect of the charity's activities.

8 Endowment and restricted funds

Restricted funds, the General Fund, at 31 December 2017 consisted of donations made specifically to support LAMB. The fund includes £27,358 (2016: £ 14,769) awaiting allocation by the trustees, and £802 (2016 : £275) donated for specified uses by LAMB.

The movements in the General Fund were:

	2017	2016
	£	£
Incoming resources	225,461	187,223
Outgoing resources	(212,345)	(210,121)
Net incoming (outgoing) resources	<u>13,116</u>	<u>(22,898)</u>
Fund at start of year	<u>15,044</u>	<u>37,942</u>
Fund at end of year	<u>28,160</u>	<u>15,044</u>

The charity has no endowment funds.

LAMB Health Care Foundation

Notes to the financial statements for the year to 31 December 2017

(continued)

9 Change of Accounting Basis

As stated in note 2, the accounts for the year ended 31 December 2017 have been prepared on the receipts and payments basis (i.e. the amounts received and paid from bank accounts). The opening and closing figures in the Receipts and Payments Account therefore reflect the bank and cash balances held by the charity at the beginning and end of the year.

The closing figures in the accounts for the year ended 31 December 2016, shown in the Statement of Financial Activities, included all the assets and liabilities of the relevant fund. Set out below is a reconciliation of the closing balances shown in the 2016 accounts to the opening balances shown in the Receipts and Payments Account for this year.

	Unrestricted £	Restricted £	Total £
Closing balance per 2016 accounts	11,427	17,841	29,268
Adjusting for non-bank items			
Gift Aid due	(363)	(2,797)	(3,160)
Liabilities for expenses	200		200
Opening balance per 2017 accounts	<u>11,264</u>	<u>15,044</u>	<u>26,308</u>