

**THE MANALI HOSPITAL FUND**  
**FINANCIAL STATEMENTS**  
For the year ended  
31 December 2025  
Scottish Charity No. SC016155

**THE MANALI HOSPITAL FUND**  
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**FOR THE YEAR ENDED 31 DECEMBER 2025**

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## THE MANALI HOSPITAL FUND

### ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

The Trustees hereby submit their Report together with the accounts for the year ended 31st December 2025.

**Scottish Charity Number:** SC016155

|                             |                                                                                 |                                                                                 |
|-----------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| <b>Principal Addresses:</b> | Dr. Murray Herbert<br>Glendrian<br>45 Glassford Road<br>Strathhaven<br>ML10 6LL | Dr. Donald J. MacAllister<br>Cleugh Cottage<br>Duns<br>Berwickshire<br>TD11 3RH |
|-----------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|

**Trustees:**

- Dr Murray M. Herbert (Chairman)
- Dr. Donald J. MacAllister (Treasurer)
- Dr. Kim Herbert (Secretary)
- Mrs Anne J. Herbert
- Dr. Cameron Herbert
- Dr. Donald John MacAllister
- Mrs E. Fiona MacAllister
- Mrs Kripa MacAllister
- Miss Marie Macnaughton

**Independent Examiner:**

Mr Mark McLeman  
J H Greenwood & Company  
Chartered Accountants  
Ava Lodge  
Castle Terrace  
Berwick-Upon-Tweed  
TD15 1NP

**Bankers:**

The Royal Bank of Scotland  
Kelso Branch  
6 The Square  
Kelso

#### Founding Document and Constitution

Constitution was originally adopted in November 1986. During 2024 the Manali Hospital Fund constitution was reviewed and updated to comply with the requirements of the Office of the Scottish Charity Regulator (OSCR). OSCR approved the new constitution on 25th July 2024.

#### Recruitment and Appointment of Trustees

The original trustees were elected at the inaugural meeting to establish the trust in November 1986. Additional trustees are appointed provided a majority of the presiding trustees consent.

#### Restrictions on Operations

A minimum of four trustees are required for the fund to operate.

#### Objectives

The objects of the Charity during the year were as follows:-

1. The advancement of education.
2. The advancement of health.

## THE MANALI HOSPITAL FUND

### ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

#### Activities and Achievements

The Manali Hospital Fund was established in November 1986 with the primary aim of raising funds for Lady Willingdon Hospital, Manali, Himachal Pradesh, India. The fund also sought to raise the public awareness of the hospital in order to encourage Christians throughout the world to pray for the work of Drs. Laji and Sheila Varghese.

A secondary aim was to support other Christian missionary activity in the developing world as funds became available.

The fund supports Day Star School which is part of Lady Willingdon Hospital.

Following their retirement from Lady Willingdon Hospital Drs Laji and Sheila Varghese continued to work in Manali providing medical services to the poor. These projects are supported by The Himalayan Friends Trust (HFT). HFT is registered under the Government of India Foreign Contribution (Regulation) Act 2010. The Manali Hospital Fund began transferring funds to HFT in 2018 on confirmation of registration.

Dr Sheila Varghese retired from medical practice in 2021. Dr Laji Varghese continues to practice.

Fund raising is by regular giving and special projects. Gift Aid allows tax to be reclaimed on donations and has proved a valuable way to increase our income. The charity is registered for Give As You Earn but this has never provided any income.

The fund is administered by the afore noted trustees and from time-to-time others with expert knowledge may be involved in specific projects.

The initial aim of the fund was to raise £1,000 to buy medical equipment from The Royal Alexandria Infirmary in Paisley which had closed and send this to Lady Willingdon Hospital in Manali. Transport costs were covered by ECHO (Equipment for Charity Hospitals Overseas). It is gratifying that, as the fund begins 2026 in excess of £600,000 has been raised which has supported Lady Willingdon Hospital, Day Star School, rural medical work in Himachal Pradesh and Nagaland and sponsored children's education from kindergarten to higher education. Since 2001, 82 children have benefited from sponsorship.

The trustees of The Manali Hospital Fund wish to express our thanks to all those who have supported the fund since 1986 and the administrators of the fund in India.

#### Financial Position

The financial position for the year ending 31st December 2025 is outlined in the attached accounts. The income for the year was £11,093 comprising £3,472 for child sponsorship, £4,500 for Day Star School and £1,970 in unrestricted donations. £1,151 in Gift Aid was also received.

During 2025, £6,127, in total, was transferred to The Himalayan Friends Trust and £5,625 to Lady Willingdon Hospital. In 2025 £5,625 sent to Manali was returned by The Standard Chartered Bank in Mumbai, as in previous years no satisfactory reason was found for this, neither from the Royal Bank of Scotland nor the bank in Manali. The return of the funds resulted in a loss of £366 due to changes in the exchange rate between the initial transfer and the return of the money.

The fund no longer seeks support for Lady Willingdon Hospital but collects and transfers payment from a small number of supporters.

#### Child Sponsorship

The Child Sponsorship programme started in 2001 and has 20 sponsors who provide regular funds for education of pupils at Day Star School and other local schools. 22 children are currently sponsored. Since its inception 60 children have completed sponsorship. Some of these continued to receive sponsorship for higher education.

## THE MANALI HOSPITAL FUND

### ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

#### Other Matters

All new donors are encouraged to register for Gift Aid.

The Manali Hospital Fund is an autonomous body and has no affiliation to any other charity or business enterprise.

We wish to express our thanks to the trustees of The Himalayan Friends Trust and the finance staff of Lady Willingdon Hospital who are responsible for the administration of the funds received in Manali.

#### Risk Management

The Trustees have examined the major risks to which the Charity is exposed and are establishing systems to mitigate those risks.

#### Reserves Policy

The reserves of the Charity are all general unrestricted funds. The Trustees aim to maintain free reserves in unrestricted funds at a level which the Trustees are satisfied will provide sufficient funds to meet its charitable objectives and the needs of the projects it supports. Currently unrestricted reserves are considered to meet with this objective.

#### Public Benefit

Throughout this report the Trustees have sought to highlight those activities by the charity in furtherance of its charitable objectives for the public benefit.

The charity continually considers its activities and policies with particular regard to the public benefit guidance published by the Charity Commission.

#### Trustees Responsibilities

Charity law requires the Trustees to prepare accounts for each financial year which give sufficient detail to enable an appreciation of the transactions of the Fund for that period.

Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Fund and enable it to ensure that the accounts comply with the Charity Accounts (Scotland) Regulations 2006, the Charity and Trustee Investment (Scotland) Act 2005 and the Constitution. They are also responsible for safeguarding the assets of the Fund and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 24/08/26 and signed on their behalf,



Dr. Murray M. Herbert (Chairman)



Dr. Donald J. MacAllister (Treasurer)



**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
THE MANALI HOSPITAL FUND**

I report on the accounts for the year ended 31 December 2025 set out on pages five to seven.

**Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under Section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

**Basis of the independent examiner's report**

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

**Independent examiner's statement**

In the course of my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
  - to keep accounting records in accordance with Section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - to prepare accounts which accord with the accounting records and to comply with Regulation 8 of the 2006 Accounts Regulations

have not been met; or

- (2) - to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mr Mark McLeman  
J H Greenwood & Company  
Chartered Accountants  
Ava Lodge  
Castle Terrace  
Berwick-Upon-Tweed  
TD15 1NP

Dated 24<sup>th</sup> August 2026

**THE MANALI HOSPITAL FUND**

**RECEIPTS AND PAMENTS ACCOUNT**

**FOR THE YEAR ENDED 31 DECEMBER 2025**

|                                        | 2025                  | 2024                  |
|----------------------------------------|-----------------------|-----------------------|
|                                        | £                     | £                     |
| <b>Receipts</b>                        |                       |                       |
| Grants and Donations                   | 9,942                 | 8,867                 |
| Gift Aid                               | 1,151                 | 1,376                 |
| Bank Interest Received                 | -                     | -                     |
|                                        | <u>11,093</u>         | <u>10,243</u>         |
| <br><b>Payments</b>                    |                       |                       |
| Charitable Grants and Donations        | 11,752                | 19,172                |
| Miscellaneous Administration costs     | 47                    | 35                    |
| Bank Charges                           | 68                    | 205                   |
| Exceptional cost                       | 365                   | 785                   |
|                                        | <u>12,232</u>         | <u>20,197</u>         |
| <br>Net Surplus/(Deficit) for the year | <u><u>(1,139)</u></u> | <u><u>(9,954)</u></u> |

THE MANALI HOSPITAL FUND

STATEMENT OF BALANCES

FOR THE YEAR ENDED 31 DECEMBER 2025

|                                | 2025<br>£      | 2024<br>£      |
|--------------------------------|----------------|----------------|
| <b>Bank and Cash in Hand</b>   |                |                |
| Opening Balances               | 26,382         | 36,336         |
| Surplus/(Deficit) for the year | <u>(1,139)</u> | <u>(9,954)</u> |
| Closing Balances               | <u>25,243</u>  | <u>26,382</u>  |
| <br><b>Reserves</b>            |                |                |
| General Funds                  | <u>25,243</u>  | <u>26,382</u>  |

The accounts were approved by the Board of Trustees on 24/08/26 and were signed on its behalf by:



Dr. M. M. Herbert -Trustee



Dr. D.J. MacAllister -Trustee



**THE MANALI HOSPITAL FUND**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2025**

**1. ACCOUNTING POLICIES**

**Basis of preparation of the accounts**

The accounts have been prepared under the historical cost convention on a receipts and payments basis in accordance with the Charity Accounts (Scotland) Regulations 2006.

**Incoming resources**

Incoming resources are recognised once the resource has been received and the monetary value of the income can be measured reliably.

**Resources expended**

All expenditure is accounted for on a payments basis and is recognised when payment is made. All costs have been attributed to one of the functional categories of resources expended in the receipts and payments account.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**2. CHARITABLE GRANTS AND DONATIONS**

|                                                        | 2025<br>£     | 2024<br>£     |
|--------------------------------------------------------|---------------|---------------|
| Amounts paid during the year are analysed as follows:- |               |               |
| The Himalayan Friends Trust                            | 6,127         | 19,172        |
| Lady Willingdon Hospital                               | 5,625         | -             |
|                                                        | <u>11,752</u> | <u>19,172</u> |

**3. TRUSTEES' REMUNERATION AND EXPENSES**

There were no trustees' remuneration or other benefits for the year ended 31 December 2025 nor for the year ended 31 December 2024. There were no trustees' expenses paid for the year ended 31 December 2025 nor for the year ended 31 December 2024.

**4. DONATED SERVICES**

|                                                      | 2025<br>£  | 2024<br>£  |
|------------------------------------------------------|------------|------------|
| The following services were donated during the year. |            |            |
| Independent Examiners Fee                            | <u>500</u> | <u>500</u> |