

The Friends of Seva Mandir

**OFFICERS' REPORT AND
FINANCIAL STATEMENTS**

31 March 2011

Charity No. 328428

The Friends of Seva Mandir

OFFICERS' REPORT

INTRODUCTION

The officers present their report and the financial statements for the year ended 31 March 2011. The financial statements have been prepared in accordance with the accounting policies set out on page 7, and comply with the Charity's constitution and applicable law.

LEGAL AND ADMINISTRATIVE INFORMATION

The Friends of Seva Mandir, 27 Cadogan Square, London, SW1X 0HU, is an unincorporated association and registered with The Charity Commission (number 328428). The Charity is governed by its constitution of 7 November 1989. The Charity's officers who served throughout the year to 31 March 2011 were:

The Countess Mountbatten of Burma (Patron)
The Rt Hon Baroness Shirley Williams (Sponsor)
Mr P Moman (Secretary)
Mr R Govindia (Treasurer)
Lady Flather (Sponsor)
Lady Wade-Gery (Sponsor)

The power of appointing new or additional officers is vested in the majority of the officers. Investment decisions are at the discretion of the officers.

The Charity's professional advisers during the year were as follows:

Bankers	CAF Bank Kings Hill West Malling Kent ME19 4TA	Barclays Bank plc Westminster Branch 2 Victoria Street London SW1H 0ND
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Accountants	Baker Tilly Tax & Accounting Limited Hanover House 18 Mount Ephraim Road Tunbridge Wells Kent TN1 1ED
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AIMS AND ORGANISATION

The object of the Charity is to relieve the poverty, sickness and distress and enhance the education of persons resident in the State of Rajasthan, India by supporting the work of the organisation called Seva Mandir. The Charity used only voluntary staff during the year ended 31 March 2011 with the addition of two fund raising consultants. The aims of the Charity are achieved through regular transfers of funds to Seva Mandir, which in the year ended 31 March 2011 totalled £12,000. The Friends aim at maximising this amount through a mix of fundraising activities.

REVIEW OF PROGRESS AND ACHIEVEMENTS FOR THE PUBLIC BENEFIT

The accumulated fund at 31 March 2011 was £7,712 after adding net incoming resources for the year.

Although for the fifth year running the Friends did not hold an annual event, a new beginning was made. A number of steps were taken to implement the agreement between the board of trustees of Seva Mandir and the Friends' Secretary of January 2010. In particular it was agreed that:

- Any changes in the constitution that would help its operation could be made;
 - Consideration should be made to appointing a part time paid administrator to manage its administration and identify new fundraising possibilities;
 - The approach to fundraising as a whole should be reviewed to widen the support base, to include high net worth individuals, corporations, foundations and trusts that share the vision of Seva Mandir;
 - New Trustees with appropriate expertise can be appointed.
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The Friends of Seva Mandir

OFFICERS' REPORT

The treasurer was asked to explore the process of changing the Constitution in order to give the charity greater flexibility in the appointment of trustees.

The officers also strove to approach new supporters. In particular, a brainstorming evening was held at the home of Juni Farmanfarmaian, a long standing supporter of the Seva Mandir, to involve new and old supporters to revitalise the Friends fund raising activity in October 2010. The main outcomes of this meeting were two; the production of new promotional material, generously sponsored by Milan Khosla, and the decision to appeal to the closest supporter to run a fund raiser, for which three initial pledges were received.

Part time fund raising consultants were appointed to approach charitable trusts. Abhishek Behl researched the field in relation to two separate educational projects – Rural School and Educational Camps. Subsequently, Marie Louise Gourlay refined the search and reviewed the projects information, leading to 17 applications, the outcome of which is still being awaited.

Praveen Momam, Secretary and Trustee of the Friends made a visit to Seva Mandir in April 2011 during a private visit to India. Various meetings were held with the officers of Seva Mandir to discuss developments in the organisation with the new Chief Executive, Prianka Singh, who stressed the need to increase fund raising given the changing environment in which Seva Mandir was operating.

The Trustees have reviewed the fund's activities and confirm that they meet the guidance given by the Charities Commission with regard to Public Benefit.

REVIEW OF FINANCIAL ACTIVITIES AND AFFAIRS

In the financial year ending 31 March 2011 the Friends raised £17,535. The grant paid to Seva Mandir was £12,000. Furthermore, £8,000 of the RBMF for bursaries to the University of Edinburgh, with the remaining balance of £294 to be transferred to Seva Mandir with the next grant.

The single largest donation was the legacy from Ann Money-Coutts of £5,000. The Friends continued to receive the support of charitable trusts during the year, this amounted to £2,000. Furthermore donations and gifts from supporters brought £10,519 of which £1,249 in Gift Aid.

Fundraising cost were £6,392 of which £5,664 represents the costs of the fundraising consultants and £288 relates to the subscription to the online database of charitable trust of the Directory of Social Science. Total administrative expenditure amounted to £199. The Friends were able to keep such expenditure low thanks to Baker Tilly, Chartered Accountants, who generously waived their fees, as well as the continuing support of Volcanoes Safaris. The Administrator, Giulia Ajmone Marsan, is a volunteer who is only reimbursed actual expenses incurred on behalf of the charity as authorised by the Treasurer.

RISK REVIEW

FSM has conducted its own review of the major risks to which the charity is exposed and steps have been taken to mitigate those risks. FSM has for some time not been able to organise the traditional annual event which was the focus of the major fund raising. The failure to organise the event was because of loss of key volunteers and unavailability of main organisers. Steps have been taken to recruit a wider group of people to revive this activity. In the meantime FSM has continued to fundraise from its band of regular donors and has recently retained services of a part time worker to establish a web presence and make targeted approaches to potential grant making trust. These initiatives will be reviewed to ensure that they are delivering the expected returns for the charity.

RESERVE POLICY

The level of the reserves is determined by the likely level costs of the following year's planned activities which for the ensuing year will include the retention of the part time worker to raise the charity's profile and attract new funding from previously untapped sources

The Friends of Seva Mandir

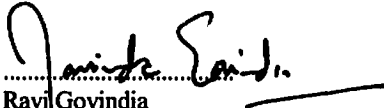
OFFICERS' REPORT

FUTURE PLANS FOR THE PUBLIC BENEFIT

The Friends will develop further the plans for a Fund raising Committee and consider holding an event in the autumn of 2011 or spring 2012.

The Friends are also looking to fund raise to finance a full time fund raising officer in order to increase its revenue.

On behalf of the Officers;


.....
Ravi Govindia
Treasurer

Date. 16/11/2011

The Friends of Seva Mandir
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE FRIENDS OF SEVA MANDIR

I report on the accounts of The Friends of Seva Mandir for the year ended 31 March 2011, which are set out on pages 5 to 10.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43 (7)(b) of the 1993 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. 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 no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out below.

Independent examiner's statements

In connection with 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 41 of the Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Acthave 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.



Nicholas Paul Sladden FCA DChA

ON BEHALF OF BAKER TILLY TAX AND ACCOUNTING LIMITED

Chartered Accountants
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent TN1 1ED

22 November 2011

The Friends of Seva Mandir
STATEMENT OF FINANCIAL ACTIVITIES
(including an Income and Expenditure Account)
for the year ended 31 March 2011

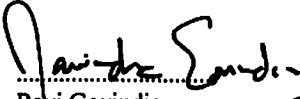
	Note	2011			2010
		Restricted funds £	Unrestricted funds £	Total funds £	Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary Income	1	-	12,519	12,519	17,947
Donations, legacies and similar incoming resources	2	-	5,000	5,000	-
Investment income	3	-	16	16	15
TOTAL INCOMING RESOURCES		-	17,535	17,535	17,962
RESOURCES EXPENDED					
Charitable Activities:					
Grants payable	4	8,000	12,000	20,000	12,589
Support costs for grants programme	5	-	199	199	425
Cost of generating funds	6	-	6,392	6,392	-
TOTAL RESOURCES EXPENDED		8,000	18,591	26,591	13,014
NET (OUTGOING) / INCOMING RESOURCES	7	(8,000)	(1,056)	(9,056)	4,948
FUND BALANCE BROUGHT FORWARD AT 1 APRIL 2010	9	8,294	8,474	16,768	11,820
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2011	9	294	7,418	7,712	16,768

All activities are classed as continuing. The Charity has had no recognised gains and losses during this year and last year other than the net incoming resources for the financial year.

The Friends of Seva Mandir
 STATEMENTS OF ASSETS AND LIABILITIES
 31 March 2011

		2011 £	2010 £
Cash at bank:			
Barclays Bank account		3,358	5,360
Caf cash account		4,354	11,408
		<u>7,712</u>	<u>16,768</u>
TOTAL ASSETS	10	<u>7,712</u>	<u>16,768</u>
 FUNDS:			
Unrestricted fund		7,418	8,474
Restricted Fund		294	8,294
	9	<u>7,712</u>	<u>16,768</u>

The financial statements on pages 5 to 10 were approved and authorised for issue by the officers onand signed on their behalf by:



 Ravi Govindia
 Treasurer

The Friends of Seva Mandir

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention.

In preparing the financial statements the Charity follows best practice in accordance with applicable accounting standards, the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" (Revised 2005), the charity's governing document, and the Charities Act 1993.

DONATIONS, LEGACIES AND SIMILAR INCOMING RESOURCES

Donations and other income are credited in the year in which they are receivable.

Unless incapable of financial measurement, legacies are credited as income in the year in which they are receivable. A legacy is classed as receivable once probate has been granted in respect of the legatee's estate.

GRANTS RECEIVABLE

Grants are credited in the year in which they are receivable.

INVESTMENT INCOME

Investment income is accounted for in the year in which the charity is entitled to receipt.

RESOURCES EXPENDED

Expenditure is recognised on an accruals basis as a liability is incurred. Irrecoverable VAT is charged against the category of resources expended from which it was incurred.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly whilst others are apportioned on an appropriate basis.

COST OF GENERATING FUNDS

Cost of generating funds comprises those costs directly attributable to the Charity's fund raising activities.

GRANTS PAYABLE

Grants payable are charged in the year when the offer is conveyed.

ALLOCATION OF SUPPORT COSTS

The cost of support functions are allocated to the Charity's sole activity.

CASH FLOW STATEMENT

The Charity has taken advantage of the exemption from preparing a cash flow statement in accordance with Financial Reporting Standard 1 (Revised) on the basis that it qualifies as a small entity.

The Friends of Seva Mandir
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2011

1. VOLUNTARY INCOME		
	2011	2010
	£	£
Donations – Rafe Bullick Memorial Foundation	-	720
Donations – other	4,283	11,099
Supporters’ donations	586	1,596
Covenants	5,650	2,532
Charitable Trusts	2,000	2,000
	<u>12,519</u>	<u>17,947</u>
2. DONATIONS, LEGACIES AND OTHER SIMILAR INCOME		
	2011	2010
	£	£
Legacies	5,000	-
	<u>5,000</u>	<u>-</u>
3. INVESTMENT INCOME		
	2011	2010
	£	£
Interest receivable	16	15
	<u>16</u>	<u>15</u>
4. GRANTS PAYABLE		
	2011	2010
	£	£
Seva Mandir	12,000	12,000
Rafe Bullick Memorial Fund	8,000	589
	<u>20,000</u>	<u>12,589</u>
<p>During the year the Charity made 1 grant (2010: 1) to Seva Mandir, an Indian registered charity which works with some 530 villages around Udaipur, in Rajasthan. 1 grant was (2010: 6) made from the Rafe Bullick Memorial Fund.</p>		
5. SUPPORT COSTS		
	2011	2010
	£	£
Stationery, postage & carriage	60	324
Bank charges	139	101
	<u>199</u>	<u>425</u>

The Friends of Seva Mandir
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2011

6. COSTS OF GENERATING FUNDS

	2011	2010
	£	£
Consultancy costs	4,749	-
Travel and accommodation	915	-
Computer expenses	728	-
	<u>6,392</u>	<u>-</u>

7. NET INCOMING RESOURCES

Baker Tilly Tax & Accounting Limited as Independent Examiners have agreed to waive all fees since their appointment on 30 June 1999.

8. OFFICERS AND EMPLOYEES

The Charity has no employees other than the officers and relies upon the support given by its volunteers.

None of the officers received any emoluments during either year.

No (2010: nil) officer received reimbursement for travel expenses in the year (2010: £nil)

9. STATEMENT OF FUNDS

	At 1 April 2010	Incoming Resources	Resources Expended	Transfers	At 31 March 2011
	£	£	£	£	£
Restricted fund	8,294	-	(8,000)	-	294
Unrestricted fund	8,474	17,535	(18,591)	-	7,418
	<u>16,768</u>	<u>17,535</u>	<u>(26,591)</u>	<u>-</u>	<u>7,712</u>

The Unrestricted fund represents the free funds of the charity, which are not designated for particular purposes.

The Restricted fund represents the Rafe Bullick Memorial Foundation. This fund was initially set up by a legacy from the estate of Rafe Bullick. The terms of this legacy required that the charity set up a memorial fund to remember the life and work of Rafe Bullick and that any donations from his friends and colleagues be added to the fund. The terms of the legacy stipulates that the Rafe Bullick Memorial Foundation be used to reflect the spirit of Rafe Bullick's dedication to the improvement of the lives of the poor and disadvantaged in society and that any expenditure from the fund be agreed between the representatives of Rafe Bullick and the trustees of The Friends of Seva Mandir.

The Friends of Seva Mandir
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2011

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Debtors £	Cash at bank £	Creditors £	Total £
Restricted fund	-	294	-	294
Unrestricted fund	-	7,418	-	7,418
Total	-	7,712	-	7,712

11. CORPORATION TAX

The Company is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.