

**The Friends of Seva Mandir
OFFICERS' REPORT AND
FINANCIAL STATEMENTS**

31 March 2010

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 2010. 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 2010 were:

The Countess Mounbatten 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
Accountants	Baker Tilly Tax & Accounting Limited Hanover House 18 Mount Ephraim Road Tunbridge Wells Kent TN1 1ED	

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 2010. The aims of the Charity are achieved through regular transfers of funds to Seva Mandir, which in the year ended 31 March 2010 totalled £12,000. The Friends aim at maximising this amount through a mix of fundraising activities.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives, planning future activities and setting the grant-making policy for the year.

REVIEW OF PROGRESS AND ACHIEVEMENTS FOR THE PUBLIC BENEFIT

The accumulated fund at 31 March 2010 was £16,768 after adding net incoming resources for the year.

Despite the commitment of our volunteers in organising and running the charity we have continued to experience manpower shortage at administrative level. It was therefore not possible to pursue actively charitable trusts and involvement with schools. Furthermore, for the fourth year running the Friends did not hold an annual event.

The Friends sent a fund raising letter to its donors in connection with the screening of *Shum dog millionaire* on Channel Four in mid-February, which raised £6,532.

The Friends of Seva Mandir

OFFICERS' REPORT

Praveen Moman, Secretary and Trustee of the Friends made a visit to Seva Mandir in January 2010 during a private visit to India. Various meetings were held with the officers of Seva Mandir to discuss developments in the organisation. Discussions were also held with the Chief Executive to review the relationship between Seva Mandir and the Friends of Seva Mandir. In February he took part in a Seva Mandir in Udaipur which examined the theme of Trusteeship and Development.

The discussions about creating a new fund raising committee raised a number of issues about the future of the Friends and relations with Seva Mandir, in particular as the latter is in a phase of transition; the CEO Neelima Khetan will be replaced by Prayanka Singh in August 2011 and the General Secretary, H. R. Bhati, will be replaced in August 2010. After extensive discussions, the board of Seva Mandir approved the proposals of Praveen Moman. These were:

- Until the end of 2011 that there would be no major changes in the office bearers and operation of FSM;
- 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.

It is with great regret that the Friends record the death of the former Events Committee Chairman, Ann Money-Coutts (1932-2009). Ann Money-Coutts worked for the European Commission in Brussels. Later she ran The European Organisation for the Research and Treatment of Cancer in London and developed a longstanding relationship with The London Academy of Music and Dramatic Art (LAMDA), latterly becoming a member of its management board. She chaired the Friends' Events Committee from 2000 to 2007.

REVIEW OF FINANCIAL ACTIVITIES AND AFFAIRS

In the financial year ending 31 March 2010 the Friends raised £17,962. The grant paid to Seva Mandir was £12,000. The Friends transferred from the RBMF £589 for Seva Mandir bursaries from the University of Edinburgh.

In addition to the fundraising mailing, the Friends continued to receive the support of charitable trusts during this year; this brought £2,000. Furthermore, donations and gifts from supporters brought £9,211 of which £1,220 in Gift Aid.

Total administrative expenditure amounted to £425. The Friends were able to keep this 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

The Working Group has conducted its own review of the major risks to which the charity is exposed and steps have been taken to mitigate those risks. The Group considers the main annual event as both an opportunity to raise funds and awareness of the Charity's work. In order to avoid over-reliance on the single event, however, the working group has agreed to diversify activities and in particular to consider organising a further smaller scale event, which would provide an additional opportunity for raising funds. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

RESERVE POLICY

The level of the reserves is normally determined by the likely level costs of the following year's annual event. The level is normally approximately at or below the cost of the event of the previous years. Unrestricted funds total £8,474 (2009: £3,665) and the RBMF totals £8,294 (2009: £8,155).

The Friends of Seva Mandir

OFFICERS' REPORT

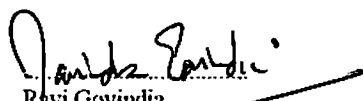
FUTURE PLANS FOR THE PUBLIC BENEFIT

The Friends will develop further the plans for a Fund raising Committee and consider holding an event in the autumn of 2010.

It has been decided to transfer £8,000 of the restricted funds for further bursaries to the University of Edinburgh, with the remaining balance of £294 to be transferred to Seva Mandir.

The Friends are also looking to recruit volunteers for specific assignments in order to run one or more annual events and approach charitable trusts.

On behalf of the Officers:


Ravi Govindia
Treasurer

Date 04/11/2010

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 2010, which are set out on pages 5 to 9.

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.

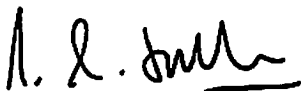
Basis of independent examiner's report

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
Tonbridge Wells
Kent TN11ED

8 November 2010

The Friends of Seva Mandir
 STATEMENT OF FINANCIAL ACTIVITIES
 (including an Income and Expenditure Account)
 for the year ended 31 March 2010

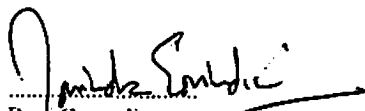
	Note	2010			2009
		Restricted funds £	Unrestricted funds £	Total funds £	Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	1	720	17,227	17,947	10,797
Investment income	2	8	7	15	403
TOTAL INCOMING RESOURCES		728	17,234	17,962	11,200
RESOURCES EXPENDED					
Charitable Activities:					
Grants payable	3	589	12,000	12,589	8,376
Support costs for grants programme	4	-	425	425	186
TOTAL RESOURCES EXPENDED		589	12,425	13,014	8,562
NET INCOMING RESOURCES	5	139	4,809	4,948	2,638
FUND BALANCE BROUGHT FORWARD AT 1 APRIL 2009	7	8,155	3,665	11,820	9,182
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2010	7	8,294	8,474	16,768	11,820

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 2010

		2009 £	2008 £
CURRENT ASSETS			
Debtors:			
Gift Aid receivable		-	683
		-	683
Cash at bank:			
Barclays Bank account		5,360	306
Cafcash account		11,408	10,831
		16,768	11,137
TOTAL ASSETS	8	16,768	11,820
FUNDS:			
Unrestricted fund		8,294	3,665
Restricted Fund		8,474	8,155
	7	16,768	11,820

The financial statements on pages 5 to 9 were approved and authorised for issue by the officers on 04/11/2010 and 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.

FUND RAISING INCOME

Fund raising income is credited in the year in which it is 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 comprise 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 2010

1.	VOLUNTARY INCOME	2010	2009
		£	£
	Donations – Rafe Bullick Memorial Foundation	720	394
	Donations – other	11,099	521
	Supporters’ donations	1,596	5,541
	Covenants	2,532	2,341
	Charitable Trusts	2,000	2,000
		<u>17,947</u>	<u>10,797</u>

2.	INVESTMENT INCOME	2010	2009
		£	£
	Interest receivable	15	403
		<u>15</u>	<u>403</u>

3.	GRANTS PAYABLE	2010	2009
		£	£
	Seva Mandir	12,000	7,500
	Rafe Bullick Memorial Fund	589	876
		<u>12,589</u>	<u>8,376</u>

During the year the Charity made 1 grant (2009: 1) to Seva Mandir, an Indian registered charity which works with some 530 villages around Udaipur, in Rajasthan. 6 grants were (2009: 1) made from the Rafe Bullick Memorial Fund.

4.	SUPPORT COSTS	2010	2009
		£	£
	Stationery, postage & carriage	324	87
	Bank charges	101	99
		<u>425</u>	<u>186</u>

5. NET INCOMING RESOURCES

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

6. 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 (2009: nil) officer received reimbursement for travel expenses in the year (2009: £nil)

The Friends of Seva Mandir
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 March 2010

7. STATEMENT OF FUNDS

	At 1 April 2009 £	Incoming Resources £	Resources Expended £	Transfers £	At 31 March 2010 £
Restricted fund	8,155	728	(589)	-	8,294
Unrestricted fund	3,665	17,234	(12,425)	-	8,474
Total	11,820	17,962	(13,014)	-	16,768

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.

8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Debtors £	Cash at bank £	Creditors £	Total £
Restricted fund	-	8,294	-	8,294
Unrestricted fund	-	8,474	-	8,474
Total	-	16,768	-	16,768

9. CORPORATION TAX

The Friends of Seva Mandir is a registered charity and as such its income and gains falling within Section 505 Income and Corporation Taxes Act 1988 or Section 256 of Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.