

The Friends of Seva Mandir

OFFICERS' REPORT AND
FINANCIAL STATEMENTS

31 March 2013

Charity No. 328428

The Friends of Seva Mandir

OFFICERS' REPORT

INTRODUCTION

The Officers present the independently examined financial statements for the year ended 31 March 2013. The financial statements have been prepared in accordance with the accounting policies set out on page 8 and comply with the Charity's constitution and applicable law.

Legal and Administrative Information

The Friends of Seva Mandir, PO Box 23, Walton Street, Aylesbury, Bucks, HP21 7GF, is an unincorporated association and registered with The Charity Commission (number 328428). The Charity is governed by its constitution of 25 March 2012. The Charity's officers and patrons are:

Patrons:

The Countess Mountbatten of Burma (Patron)
The Rt Hon Baroness Shirley Williams (Vice Patron)
Mr P Moman (Vice Patron)
Mr R Govindia (Treasurer until 30 June 2012, thereafter Vice Patron)
Lady Flather (Sponsor until 25 April 2012, thereafter Vice Patron)
Lady Wade-Gery (Sponsor until 25 April 2012, thereafter Vice Patron)
Giulia Ajmone Marsan (Officer from 25 April 2012 to 30 June 2012, thereafter Vice Patron)
Kully Dhadda (Officer from 25 April 2012 to 17 May 2013, thereafter Vice Patron)

Officers:

Chris Wiscarson (Chairman from 25 April 2012)
Robert Westlake (Vice Chairman from 25 April 2012)
John MacAuslan (Officer from 25 April 2012 to 30 June 2012, thereafter Secretary)
Mark Francis (Officer from 25 April 2012 to 30 June 2012, thereafter Treasurer)
Araddhya Mehta (Officer from 25 April 2012)
Jonathan Berman (Officer from 1 July 2012)
Surekha Mehta (Officer from 1 June 2013)

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	Barclays Bank plc
Kings Hill	Westminster Branch
West Malling	2 Victoria Street
Kent ME19 4TA	London SW1H 0ND

Independent Examiners
Baker Tilly Tax and Accounting Limited
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent TN1 1ED

Website

We have built a new website <http://www.sevamandirfriends.org/> and put great store on seeing that it is accessible and topical. Udaipur is 4,000 miles away, so regular newsletters, photographs and movies from visitors to Seva Mandir brings the villagers in Rajasthan just that bit closer.

The Friends of Seva Mandir

OFFICERS' REPORT

CHAIRMAN'S REPORT

We are pleased to report a successful year. Donations from the UK, both direct to Seva Mandir in India and through the Friends, totalled almost £140,000. We are very grateful to those who have so generously shown confidence in the unique work carried out by Seva Mandir.

The principal objective of the UK Friends is to raise money to support Seva Mandir in a manner that allows Seva Mandir to direct the monies to the villages in the most effective fashion that they consider appropriate. We have a close and productive relationship with Seva Mandir and, particularly, their Chief Executive, Priyanka Singh.

Helping villages help themselves

Seva Mandir supports 350,000 village people in Southern Rajasthan in transforming their lives, patiently fostering lasting changes in health, education, child development, sanitation, and sustainable use of natural resources, through pre and post natal care, nursery schooling, junior schooling, teenager skill training, land reclamation, wall and well building and women's self help groups.

The support often starts by Seva Mandir placing a mat on the ground, *which is a school*, with a trained teacher who can speak the tribal language. Parents are invited to send their kids along to learn how to speak, read and write Hindi and to learn their times tables. Once the school is established, that is the gateway to forming a parents' committee, democratically elected with a proper representation of women. Immediately, the community has a voice.

Vitality, as so well described in *Poor Economics* (Banerjee and Duflo, Penguin Books 2012), the communities know best what they want, be it a wall to protect the village land, a well where the water can be purified, a kindergarten, where kids are safe while mothers work, or capable birth attendants providing pre and post natal care.

The authors of *Poor Economics* state that "Seva Mandir's immunisation programme is one of the most impressive we have ever evaluated, and probably the one that has saved most lives."

The needs of each village are different, often fundamentally so. Seva Mandir, through working with the village committees facilitate the provision of services that most closely match their needs. Progress is achieved both with carrot and stick, bolstering and supporting those villages which are able to self govern and cooperate and being patient and nudging those villages that take time in adhering to the principles of sustainability and democracy that are at the heart of Seva Mandir's mission.

Right decision, wrong message

We were particularly pleased to have the opportunity to comment on BBC news in November 2012 when Government announced the ending of funding to India
<http://www.sevmandirfriends.org/chris-wiscarson-talks-to-bbc-news-about-aid-to-india/>

On hearing Justine Greening's announcement to cease aid to India, one entirely legitimate reaction is "about time too". The Indian Government doesn't want the money and since that money belongs to UK tax payers, the only surprise is that it's taken so long to execute. But, and it is a very big but, the trouble with Justine Greening's announcement is the implication that 500 million poor Indians don't need overseas help. They do. There is no way the Indian Government alone can solve the poverty that is so evident as soon as one arrives in India.

It is crucial to make a distinction between, on the one hand, Government development aid with its mysterious, hard-to-measure outcomes and, on the other hand, personal support for bona fide Indian charities where it's easy to see the *lasting* good to the needy in India.

Good on the UK Government for stopping development aid to India BUT bad on them for not making it crystal clear that people giving directly to good causes in India is a wonderful thing. Seva Mandir, literally the Temple of Service, is one such good cause. Helping people help themselves. That's what David Cameron means by the Big Society. If ever there was a living breathing example of the Big Society, Seva Mandir is it.

The Friends of Seva Mandir

OFFICERS' REPORT

Good people doing good deeds

I am indebted to my fellow trustees: Vice Chairman Robert Westlake, Secretary John MacAuslan, Treasurer Mark Francis, Araddhya Mehta, Jonathan Berman and Kully Dhadha for their inspiration and unwavering support.

After spearheading our public relations work over the last year, Kully Dhadha now needs to devote her energies fully to her rapidly expanding company. We are sad that Kully will not remain as a trustee, but we are delighted to appoint her Vice-Patron so her wise counsel is not entirely lost.

From 1 June 2013, we are very pleased to welcome Surekha Mehta to the Trustee Board. Surekha's knowledge and expertise is much welcomed.

Our principal objective for the new trustee board's first year in office was, firstly, to generate donations in excess of £100,000 and, secondly, expand the number of people in the UK interested in the work of Seva Mandir.

It is clear from my introduction that our first objective was achieved. In regard to the second, we were privileged to host Seva Mandir's Chief Executive, Priyanka Singh when she visited the UK in April 2013. During Priyanka's week long visit, we were able to introduce her to over 250 current and new Friends.

Over 150 Friends attended a reception at the Great Hall in King's College London where Priyanka was able to describe what she is facing at the sharp end. The fact is that one prominent long standing funder has come to the end of its scheduled support so Priyanka and her team are having to take a very tough look at what services have to be diluted before new funding is generated.

That is where the UK Friends come in.

Looking Forward

We are committed to maintaining the momentum in our fundraising activities. We will achieve this through holding regular get-togethers to inform current and potential donors on the needs, progress and impact of Seva Mandir's work.

We are determined to expand the number of people who know about Seva Mandir, and then provide communications and events which meet their philanthropic needs. Events in themselves are meaningless. They must always represent good use of donors' time. Through the good offices of the trustees, we will thus build relationships with donors who will feel able to support Seva Mandir over an extended period.

It is an important principle that all donations are passed directly and promptly to Seva Mandir, and that there are no deductions for administrative expenses other than what is unavoidable such as the cost of insurance. In particular, all events must be sponsored and this was so throughout our first year of office.

With your financial support, we provide the wonderful people who devote their lives to Seva Mandir with the gift to do real and lasting good. It is privilege to be associated.



.....
Chris Wiscarson
Chairman

3 July 2013

The Friends of Seva Mandir

OFFICERS' REPORT

TREASURER'S REPORT

Review of financial activities and affairs

In the financial year ending 31 March 2013 the Friends received £66,261. In addition, Seva Mandir in India received direct amounts from the UK which have been attributed to the Friends totalling £70,897, making overall donations from the UK of £137,158.

For the Friends of Seva Mandir, donations and gifts from supporters raised £55,749, of which £10,929 was from Gift Aid and £1,416 was specifically provided to cover the costs of the charity. A further £10,500 was received from trusts.

Timing of remittances to Seva Mandir meant that the actual grant paid by the Friends to Seva Mandir during the year was £56,823.

Fundraising costs were just £687 of which £117 represented insurance and £570 represented costs of administration assistance in the early part of the year. Baker Tilly, Chartered Accountants, generously waived their fees. The current Administrator, Amanda Pirrie, is a volunteer who is only reimbursed actual expenses incurred on behalf of the charity as authorised by the Treasurer.

Policy Review

A review of our internal financial controls, risks and policies was undertaken in August 2012 and revised policies agreed by the officers in September. Specific details of our reserve policy are provided below.

Reserve Policy

We aim to ensure income received is forwarded to Seva Mandir within a reasonable period from receipt, usually monthly. A base level of cash reserves of £5,000 is maintained for unforeseen day-to-day operational costs and to assist cash-flow funding for future events. Remittance to Seva Mandir of amounts above the base level are made monthly subject to cash reserves exceeding the base level by more than £3,000.

Reserves in excess of this level may be held at specific times for a particular purpose if agreed by the Officers. There has been no such requirement to hold reserves in excess of this level during the year to 31 March 2013.

Restricted funds are remitted at the earliest opportunity as part of the monthly process.

Future Plans for Public Benefit

The Trustees have reviewed the Charity's activities and confirm they meet the guidance given by the Charity Commission with regard to public benefit.



.....
Mark Francis
Treasurer

3 July 2013

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 2013, which are set out on pages 6 to 11.

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 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145 (5)(b) of the 2011 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 in the statement below.

Independent examiner's statement

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 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 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 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

9 July 2013

The Friends of Seva Mandir
 STATEMENT OF FINANCIAL ACTIVITIES
 (including an Income and Expenditure Account)
 for the year ended 31 March 2013

	Note	-----2013-----			2012
		Restricted funds £	Unrestricted funds £	Total funds £	Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary Income	1	3,100	63,149	66,249	53,079
Investment income	2	-	12	12	14
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL INCOMING RESOURCES		3,100	63,161	66,261	53,093
		<hr/>	<hr/>	<hr/>	<hr/>
RESOURCES EXPENDED					
Charitable Activities:					
Grants payable	3	3,394	53,723	57,117	40,000
Support costs for grants programme	4	-	729	729	671
Cost of generating funds	5	-	687	687	15,450
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL RESOURCES EXPENDED		3,394	55,139	58,533	56,121
		<hr/>	<hr/>	<hr/>	<hr/>
NET (OUTGOING)/INCOMING RESOURCES		(294)	8,022	7,728	(3,028)
FUND BALANCE BROUGHT FORWARD					
AT 1 APRIL 2012	8	294	4,390	4,684	7,712
		<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCES CARRIED FORWARD					
AT 31 MARCH 2013	8	-	12,412	12,412	4,684
		<hr/>	<hr/>	<hr/>	<hr/>

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 outgoing resources for the financial year.

The Friends of Seva Mandir

BALANCE SHEET

31 March 2013

		2013	2012
		£	£
Debtors	7	4,192	-
Cash at bank:			
Barclays Bank account		7,100	1,835
CAF cash account		1,120	2,849
		<u>8,220</u>	<u>4,684</u>
TOTAL ASSETS	9	<u>12,412</u>	<u>4,684</u>
FUNDS:			
Unrestricted fund		12,412	4,390
Restricted Fund		-	294
	9	<u>12,412</u>	<u>4,684</u>

The financial statements on pages 6 to 11 were approved and authorised for issue by the officers on 3 July 2013 and signed on their behalf by:



.....
Mark Francis
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 2011.

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 2013

1.	VOLUNTARY INCOME	2013	2012
		£	£
	Donations – other	192	200
	11/11 Event income	-	28,620
	Supporters’ donations	54,141	5,316
	Covenants	-	4,443
	Charitable Trusts	10,500	8,000
	Admin support	1,416	6,500
		<u>66,249</u>	<u>53,079</u>
2.	INVESTMENT INCOME	2013	2012
		£	£
	Interest receivable	<u>12</u>	<u>14</u>
3.	GRANTS PAYABLE	2013	2012
		£	£
	Seva Mandir	56,823	40,000
	Rafe Bullick Memorial Foundation	294	-
		<u>57,117</u>	<u>40,000</u>
4.	SUPPORT COSTS	2013	2012
		£	£
	Stationery, postage & carriage	490	518
	Bank charges	239	153
		<u>729</u>	<u>671</u>

During the year the charity made 1 grant (2012: 1) to Seva Mandir, an Indian registered charity which works with some 350,000 village people in Southern Rajasthan. Additionally 1 grant (2012: none) was made from the Rafe Bullick Memorial Fund.

The Friends of Seva Mandir
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 March 2013

5. COSTS OF GENERATING FUNDS

	2013	2012
	£	£
Consultancy costs	570	8,802
Insurance	117	253
Travel and accommodation	-	1,116
Computer expenses	-	227
11/11 Event Costs	-	3,436
Books	-	176
Venue Hire	-	1,440
	<u>687</u>	<u>15,450</u>

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

6. OFFICERS AND EMPLOYEES

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

None of the officers received any emoluments during either year.

No officer received reimbursement for any expenses in the year (2012: £nil)

7. DEBTORS

	2013	2012
	£	£
Gift Aid receivable	<u>4,192</u>	<u>-</u>

8. STATEMENT OF FUNDS

	At 1 April 2012	Incoming Resources	Resources Expended	Transfers	At 31 March 2013
	£	£	£	£	£
Restricted fund	294	3,100	(3,394)	-	-
Unrestricted fund	4,390	63,161	(55,139)	-	12,412
Total	<u>4,684</u>	<u>66,261</u>	<u>(58,533)</u>	<u>-</u>	<u>12,412</u>

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

The Restricted fund of £294 at the start of the year represented the Rafe Bullick Memorial Foundation Fund to be used to reflect the spirit of Rafe Bullick's dedication to the improvement of the lives of the poor and disadvantaged in society. In addition, during the year, an amount of £3,000 was received specifically for the Seva Mandir Learning Programme and a further £100 for Dadmia village. All restricted amounts were remitted to Seva Mandir during the year to be used specifically for the purpose for which they were given.

The Friends of Seva Mandir
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2013

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Debtors	Cash at banks	Total
	£	£	£
Restricted fund	-	-	-
Unrestricted fund	4,192	8,220	12,412
Total	<u>4,192</u>	<u>8,220</u>	<u>12,412</u>

10. 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.