

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

Year ended 31 March 2017

Charity No. 328428

# The Friends of Seva Mandir

## TRUSTEES' REPORT

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### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2017**

The officers, as the trustees of the charity, present their annual report and financial statements for the year ended 31 March 2017. The financial statements have been prepared in accordance with the accounting policies set out on page 8 and comply with the charity's constitution, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) published on 16 July 2014.

#### **Objectives and activities**

The purpose of the charity is to relieve the poverty, sickness and distress, and advance the education of persons resident in the State of Rajasthan, India, by supporting the work of Seva Mandir, a non-profit voluntary organisation registered in India.

The Friends of Seva Mandir furthers its charitable purposes for the public benefit through its remittances to Seva Mandir and from helping to attract other sources of UK funding that are made directly to Seva Mandir. The officers confirm that they have reviewed the Charity's activities and confirm they meet the guidance given by the Charity Commission with regard to public benefit.

#### **The Countess Mountbatten of Burma**

It is with great sadness that we report the passing of Patricia Mountbatten in June 2017. Lady Mountbatten has served as the Patron of the Friends of Seva Mandir for many years and her counsel and support have been a great strength and example to the Friends. Her legacy is assured and her words taken from a letter she wrote to us in 2015 are a blessing:

*I have been associated with Seva Mandir for more years than I can remember. It is quite the most beguiling organisation, truly helping impoverished village people in the deserts of Rajasthan to articulate their own unique needs; and then assist those very same people to secure for themselves sustainable improvements to their lives.*

*There are few things more joyful than to see young children learning. Learning Hindi, learning to read and write Hindi, and learning how to do their times tables provides kids a foundation for life. Girls and boys alike receive an equal opportunity education, encouraged by parents, and provided by teachers who turn up for the job, and who love to teach. Seva Mandir sees to all that.*

Patricia Mountbatten will be missed.

#### **Achievements and performance**

Since we wrote a year ago, the United Kingdom has voted to leave the European Union and the United States have voted for a new President. Both votes reflect an electorate that in part did not feel that their needs were being heard.

Not so in Southern Rajasthan. Seva Mandir's raison d'être is to seek out the impoverished village peoples and develop their democratic voice. Then, profoundly, to listen to those voices and respond positively and sustainably.

Villages are transformed into communities. Communities that take responsibility for education, healthcare, land development and women's rights. Seeing is believing. Seeing how a wall built around a well protects women from slipping in the dark when fetching water, and drowning. Seeing a sports ground built in the residential school that develops the confidence of the most needy kids of all. See them play. See them succeed.

It has been said so often before but it does not become less true from repetition: Seva Mandir makes a sustainable difference to thousands and thousands of people. The Friends of Seva Mandir are privileged to do what we can to help, and we are deeply grateful to donors for their generosity.

In this regard, we are pleased to report that over the last financial year the UK Friends have generated no less than £220,286. Thank you! Further details are provided in the Financial Review.

# The Friends of Seva Mandir

## TRUSTEES' REPORT

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Our work with foundations has continued to be successful and we acknowledge the wonderful support of Thomas Cook, British & Foreign School Society, Waterloo, Saga, The Presidents Club, The John Younger Trust, and Lord Deedes Charitable Trust.

We were pleased to host the following events for donors over the last year:

In May 2016, Sunil Khilnani, celebrated author of *Incarnations*.

In June 2016, Sir Mark Tully whose insight into Indian affairs is second to none.

In February 2017, a private screening of *Viceroy's House* at the ICA in London. Acclaimed actor Simon Callow introduced the film to over 150 guests, making for a memorable evening and a very successful fundraiser.

That the extraordinarily gifted Mark, Sunil and Simon should give up their time to the Friends of Seva Mandir says everything that needs to be said about how well Seva Mandir is viewed.

Seva Mandir will soon enter its 50<sup>th</sup> year. It is a much used phrase to say that we want to make a difference. In Seva Mandir's case, they have truly made a difference, touching the lives of 360,000 people. Golden anniversaries are inevitably a time for reflection. It is not in the nature of Seva Mandir to celebrate, but we the Friends can celebrate the fact that Seva Mandir exists at all with its wonderful people who do so many unique things to improve the lives of others.

### **Financial Review**

#### Review of financial position

In the financial year ending 31 March 2017 the Friends of Seva Mandir received donations totalling £138,174 (2015/16 : £142,073).

In addition, Seva Mandir in India received a further £82,112 as a direct result of the efforts of the Friends of Seva Mandir. These additional amounts do not pass through, and are not controlled by, the Friends of Seva Mandir and consequently do not get recorded in the financial statements of The Friends of Seva Mandir.

Overall donations from the UK totalled £220,286, beating our target of £210,000.

Events during the year were sponsored in full and the costs have been included in the financial statements shown equally both in income, as a gift in kind, and expenditure, as a cost of raising funds. Other costs were just £587, representing the cost of insurance and bank charges. Officers and our administrator provide services on a voluntary basis and did not reclaim any expenses.

#### Reserves 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 operational costs and to assist 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 cash reserves in excess of this level during the year.

Restricted funds are remitted to Seva Mandir for the specific purpose for which they were given.

Reserves at the end of the year totalled £8,712 (2016: £13,123).

### **Structure, governance and management**

The Friends of Seva Mandir is an unincorporated association registered with the Charity Commission (number 328428). The charity is governed by its constitution of 25 March 2012 as updated on 10 September 2014.

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 Friends of Seva Mandir

## TRUSTEES' REPORT

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### **Reference and administration information**

#### Patron:

The Countess Mountbatten of Burma (Patron to 13 June 2017)

#### Vice Patrons:

Kamini Banga (Officer to 28 September 2016, thereafter Vice Patron)  
Kully Dhadha  
Lady Flather  
Ravi Govindia  
Celia Imrie (Vice Patron from 3 July 2015)  
Giulia Ajmone Marsan  
Araddhya Mehta  
Praveen Moman  
Lady Wade-Gery  
Robert Westlake (Officer to 28 September 2016, thereafter Vice Patron)  
The Rt Hon Baroness Shirley Williams

#### Officers:

Chris Wiscarson (Chairman)  
John MacAuslan (Secretary)  
Mark Francis (Treasurer)  
Jonathan Berman (Officer)  
Surekha Mehta (Officer)  
Deepu Chintamaneni (Officer from 7 May 2015)  
Tony Bourne (Officer from 28 September 2016)  
John Pheasant (Officer from 28 September 2016)  
Penny Madden (Officer from 15 December 2016)  
Kamal Rahman (Officer from 22 May 2017)

#### Principal Office:

PO Box 23, Walton Street, Aylesbury, Bucks, HP21 7GF  
Charity number: 328428

#### Website:

Regular newsletters, photographs and movies from visitors to Seva Mandir are shared on our website at <http://www.sevamandirfriends.org/>

#### Bankers:

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

#### Independent Examiner:

Richard Collis ACA, Saffery Champness LLP, Chartered Accountants, 71 Queen Victoria Street, London, EC4V 4BE

# The Friends of Seva Mandir

## TRUSTEES' REPORT

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### Officers' responsibilities in relation to the financial statements

The officers are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity officers to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the officers are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The officers are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The officers are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the officers on 25 September 2017 and signed on their behalf by:



.....  
Chris Wiscarson  
Chairman



.....  
Mark Francis  
Treasurer

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

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I report on the accounts of The Friends of Seva Mandir for the year ended 31 March 2017, 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.

*Richard Collis*

Richard Collis ACA  
Saffery Champness LLP  
Chartered Accountants  
71 Queen Victoria Street  
London  
EC4V 4BE

*26 September 2017*

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The Friends of Seva Mandir  
 STATEMENT OF FINANCIAL ACTIVITIES  
 for the year ended 31 March 2017

	Note	-----2017-----			2016
		Restricted funds £	Unrestricted funds £	Total funds £	Total funds £
<b>INCOME AND ENDOWMENTS</b>					
Donations	1	40,418	97,756	138,174	142,073
Gifts in kind	2	-	6,172	6,172	4,750
Investment income	3	-	2	2	4
		<u>40,418</u>	<u>103,930</u>	<u>144,348</u>	<u>146,827</u>
<b>EXPENDITURE</b>					
Charitable Activities:					
Grants payable	4	40,418	101,582	142,000	145,000
Support costs	5	-	466	466	323
Raising funds	6	-	6,293	6,293	4,871
		<u>40,418</u>	<u>108,341</u>	<u>148,759</u>	<u>150,194</u>
NET (EXPENDITURE)/INCOME AND NET MOVEMENT IN FUNDS		-	(4,411)	(4,411)	(3,367)
<b>RECONCILIATION OF FUNDS</b>					
TOTAL FUNDS BROUGHT FORWARD	9	-	13,123	13,123	16,490
TOTAL FUNDS CARRIED FORWARD	9	-	8,712	8,712	13,123

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.

Note 12 provides comparative information by fund.

# The Friends of Seva Mandir

## BALANCE SHEET

as at 31 March 2017

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		2017 £	2016 £
Debtors	8	2,202	277
Cash at bank:			
Barclays Bank account		1,002	1,052
CAF cash account		5,508	11,794
		<u>6,510</u>	<u>12,846</u>
TOTAL ASSETS	10	<u>8,712</u>	<u>13,123</u>
FUNDS:			
Unrestricted fund		8,712	13,123
Restricted Income Fund		-	-
TOTAL CHARITY FUNDS	10	<u>8,712</u>	<u>13,123</u>

The financial statements on pages 6 to 11 were approved and authorised for issue by the officers on 25 September 2017 and signed on their behalf by:



.....  
Mark Francis  
Treasurer



# The Friends of Seva Mandir

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 March 2017

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#### 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 (SORP): Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, as amended on 2 February 2016, the Financial Reporting Standard (FRS102), the charity's governing document, and the Charities Act 2011.

The Charity has taken advantage of the provisions available to smaller entities as proscribed in the update to the SORP published in February 2016, including the ability to dispense with the presentation of a cash flow statement.

The Charity comprises a public benefit entity as defined by FRS 102 and the trustees consider that there are no material uncertainties about the ability to continue as a going concern.

#### INCOME RECOGNITION

Donations, grants and other income are recognised once there is evidence of entitlement, receipt is probable and the amount can be measured reliably. Gifts in kind and donated services are recognised when received, providing the value of the gift or service can be measured reliably. Value is based on the amount that would be payable in the open market for an alternative item or service. Investment income is recognised when its receipt is probable and the amount receivable can be measured reliably.

#### EXPENDITURE RECOGNITION

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 RAISING FUNDS

Cost of raising 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 AND GOVERNANCE COSTS

The cost of support functions and governance is allocated to the Charity's sole activity.

#### FUNDS

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds. Restricted funds are donations and other incoming resources receivable for which the donor has specified a purpose.

#### RELATED PARTY TRANSACTIONS

The officers all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2016: £nil). Unconditional donations from officers totalled £35,400 (2016: £22,900). There are no other related party transactions in the year (2016: none).

The Friends of Seva Mandir  
 NOTES TO THE FINANCIAL STATEMENTS  
 for the year ended 31 March 2017

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1.	DONATIONS	2017	2016
		£	£
	Supporters' donations	94,469	82,268
	Charitable trusts and foundations	43,118	59,361
	Administrative support	587	444
		<u>138,174</u>	<u>142,073</u>

2.	GIFTS IN KIND	2017	2016
		£	£
	Event sponsorship	4,372	2,950
	Independent examination	1,800	1,800
		<u>6,172</u>	<u>4,750</u>

During the year the charity benefitted from donated facilities and services for our event at King's College and for the independent examination of these accounts.

3.	INVESTMENT INCOME	2017	2016
		£	£
	Interest receivable	2	4
		<u>2</u>	<u>4</u>

4.	GRANTS PAYABLE	2017	2016
		£	£
	Seva Mandir	142,000	145,000
		<u>142,000</u>	<u>145,000</u>

During the year the charity made 1 grant (2016: 1) to Seva Mandir, an Indian registered charity which works with some 360,000 village people in Southern Rajasthan. All grants have been paid to an institution.

5.	SUPPORT COSTS	2017	2016
		£	£
	Bank charges	466	323
		<u>466</u>	<u>323</u>

The Friends of Seva Mandir  
 NOTES TO THE FINANCIAL STATEMENTS  
 for the year ended 31 March 2017

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6. RAISING FUNDS

	2017	2016
	£	£
Insurance	121	121
Events	4,372	2,950
Independent examination	1,800	1,800
	<u>6,293</u>	<u>4,871</u>

The charity has incurred no direct expenditure in relation to the cost of raising funds other than insurance. Cost of events and the independent examination relate entirely to those donated facilities and services as shown in note 2.

7. OFFICERS AND EMPLOYEES

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

The charity considers its key management personnel to be the officers. No officer received any emoluments during either year. Furthermore, none of the officers received reimbursement for any expenses in the year (2016: £nil).

8. DEBTORS

	2017	2016
	£	£
Gift Aid receivable	<u>2,202</u>	<u>277</u>

9. STATEMENT OF FUNDS

	At 1 April 2016	Income	Expenditure	Transfers	At 31 March 2017
	£	£	£	£	£
Restricted fund	-	40,418	(40,418)	-	-
Unrestricted fund	13,123	103,930	(108,341)	-	8,712
Total	<u>13,123</u>	<u>144,348</u>	<u>(148,759)</u>	<u>-</u>	<u>8,712</u>

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

During the year a total of £40,418 was received specifically for provision of Shiksha Kendra bridge schooling in the rural villages of Southern Rajasthan.

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 2017

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Debtors £	Cash at banks £	Total £
Restricted fund	-	-	-
Unrestricted fund	2,202	6,510	8,712
	<u>2,202</u>	<u>6,510</u>	<u>8,712</u>
Total	<u>2,202</u>	<u>6,510</u>	<u>8,712</u>

11. CORPORATION TAX

No tax provision is included in the financial statements on the basis that all income for the registered charity is derived from wholly charitable activities.

12. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	-----2016-----		
	Restricted funds £	Unrestricted funds £	Total funds £
INCOME AND ENDOWMENTS			
Donations	49,361	92,712	142,073
Gifts in kind	-	4,750	4,750
Investment income	-	4	4
	<u>49,361</u>	<u>97,466</u>	<u>146,827</u>
TOTAL INCOME	49,361	97,466	146,827
EXPENDITURE			
Charitable Activities:			
Grants payable	49,361	95,639	145,000
Support costs	-	323	323
Raising funds	-	4,871	4,871
	<u>49,361</u>	<u>100,833</u>	<u>150,194</u>
TOTAL EXPENDITURE	49,361	100,833	150,194
NET INCOME AND NET MOVEMENT IN FUNDS	-	(3,367)	(3,367)
RECONCILIATION OF FUNDS			
TOTAL FUNDS BROUGHT FORWARD	-	16,490	16,490
	<u>-</u>	<u>16,490</u>	<u>16,490</u>
TOTAL FUNDS CARRIED FORWARD	-	13,123	13,123
	<u>-</u>	<u>13,123</u>	<u>13,123</u>