

The Friends of Seva Mandir
REPORT AND FINANCIAL STATEMENTS

Year ended 31 March 2020

Charity No. 328428

The Friends of Seva Mandir

TRUSTEES' REPORT

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

The trustees of the charity present their annual report and financial statements for the year ended 31 March 2020. 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, as amended on 2 February 2016, the Financial Reporting Standard (FRS102), the charity's governing document, and the Charities Act 2011.

Objectives and activities

The purpose of the charity is to relieve the poverty, sickness and distress, and advance the education and self-governance 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 trustees 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.

Achievements and performance

For over half a century, Seva Mandir has served the rural areas in Southern Rajasthan, making enduring beneficial changes to the lives of impoverished people in around 1,500 villages and hamlets. The growth of Seva Mandir over the years is testament to their unique approach, reaching 500,000 lives and fostering long-lasting transformations. Villages are turned into communities which take responsibility for their own development through educating children, providing healthcare, cultivating land, youth programmes, promoting livelihoods, empowering women, sustainable energy, sanitation and hygiene and in many other ways.

Trustees report that, through the generous support of Friends here in the UK, including donations sent directly to Seva Mandir, we have raised approximately £65,000. More detail is provided in the financial review.

Our work with foundations and grant-giving bodies has continued and we are particularly grateful for the support of The Blavatnik Foundation, Lord Deedes of Aldington Charitable Trust and the John Younger Trust.

We would like to express our huge thanks to Kamal Rahman, who stepped down as a Trustee during the year, and to Surekha Mehta, who stepped down as a Vice Patron. During the year, we welcomed Raj Ragoowansi, Don Baladasan and Vinay Ghai as Trustees.

In early September, on the occasion of a visit to the UK by Seva Mandir's new CEO, Ronak Shah, we hosted a drinks party for a number of our distinguished supporters and some of the past volunteers from the UK who have worked at Seva Mandir. We used the opportunity of Ronak's visit to the UK to arrange introductory meetings for him with several foundations, trusts and philanthropy advisers. These initiatives have led to further dialogue and ongoing follow-up.

In October, the Nobel Prize for Economics was awarded to three economists including Professors Abhijit Banerjee and Esther Duflo. They have been good friends to Seva Mandir over many years and based a significant part of their research for their seminal book "Poor Economics" (winner of the FT/Goldman Sachs Business Book of the Year Award) on research conducted at Seva Mandir. On hearing about the Nobel award, Professor Banerjee said:

"I really owe to those with whom we work, whose lives we study in many ways. And also the people who work with them. We've learned a huge amount from organisations like Seva Mandir and Pratham, for example. In my personal experience, these organisations work on a very large scale with very poor people."

Year-end of course coincided with the early stages of the Covid-19 crisis. Following this, we launched an appeal to assist Seva Mandir's support programmes and have had a strong response from UK Friends, contributing to a good start to the new financial year. The ongoing restrictions imposed by the Covid-19 situation may also impact our well advanced plans for a fundraising event around a photographic exhibition in September 2020. Other than

The Friends of Seva Mandir

TRUSTEES' REPORT

the potential adverse impact on fundraising, the impact on The Friends of Seva Mandir is minimal and explained further in the Financial Review.

Overall, Seva Mandir continues to make a sustainable difference to very many thousands of people. We are deeply grateful to donors for their ongoing support and generosity.

Financial Review

Review of financial position

In the financial year ending 31 March 2020 the Friends of Seva Mandir received donations totalling £39,583 (2018/19 : £103,602).

In addition, Seva Mandir in India received a further £25,957 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, including those sent directly to Seva Mandir in India, totalled £65,540 (2018/19 : £145,658).

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. The costs of the independent examination of £1,800 (2018/19 : nil) have been included in the financial statements and have been funded by a kind donation for this specific purpose. Other costs were just £322 (2018/19 : £528), representing the cost of insurance and bank charges. Trustees and our administrator provide services on a voluntary basis and did not reclaim any expenses.

The outbreak of COVID-19 is having a significant impact in the UK and caused a high degree of volatility in the financial markets. This has had a minimal impact on the Friends of Seva Mandir: assets almost entirely comprise cash at bank; liabilities are minimal; grants to Seva Mandir are only paid when funds become available; trustee meetings continue, albeit by telephone; and we do not have any staff in the UK.

Reserves Policy

We aim to ensure income received is forwarded to Seva Mandir within a reasonable period from receipt. A base level of unrestricted cash reserves of approximately £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 subject to unrestricted cash reserves exceeding the base level by at least £3,000.

Reserves in excess of this level may be held at specific times for a particular purpose if agreed by the trustees. 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 £5,600 (2018: £23,644). The 2018 balance included Gift Aid of £14,028 which was received in April 2019.

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 16 May 2018.

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

The Friends of Seva Mandir

TRUSTEES' REPORT

Reference and administration information

Life President:

Chris Wiscarson (Chairman and Trustee to 31 March 2019)

Vice Patrons:

Kamini Banga
Kully Dhadda
Lady Flather
Ravi Govindia
Celia Imrie
John MacAuslan (Secretary and Trustee to 12 March 2020)
Penny Madden (Trustee to 16 May 2018)
Giulia Ajmone Marsan
Araddhya Mehta
Surekha Mehta (Vice Patron to 25 February 2020)
Praveen Moman
Lady Wade-Gery
Robert Westlake
The Rt Hon Baroness Shirley Williams

Trustees:

Tony Bourne (Chairman from 1 April 2019. Vice Chairman from 16 May 2018 to 31 March 2019)
Chris Wiscarson (Chairman and Trustee to 31 March 2019)
John MacAuslan (Secretary and Trustee to 12 March 2020)
Mark Francis (Treasurer)
Don Baladasan (Trustee from 17 August 2019)
Jonathan Berman (Trustee)
Deepu Chintamaneni (Trustee)
Vinay Ghai (Trustee from 9 December 2019)
David Moorhouse (Trustee and Secretary from 18 June 2020)
John Pheasant (Trustee)
Raj Ragoowansi (Trustee from 15 April 2019)
Kamal Rahman (Trustee to 9 December 2019)

Principal Office:

14 Holland Park Avenue, London, W11 3QU

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:

Alex Green FCA, GBP Knox, 16 High Holborn, London WC1V 6BX

The Friends of Seva Mandir

TRUSTEES' REPORT

Trustees' responsibilities in relation to the financial statements

The trustees 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 trustees 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 trustees 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 trustees 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 trustees 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 trustees on 17 September 2020 and signed on their behalf by:



.....
Tony Bourne
Chairman



.....
Mark Francis
Treasurer

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

I report to the trustees on my examination of the accounts of the The Friends of Seva Mandir (the Charity) for the year ended 31 March 2020.

Respective Responsibilities of trustees and examiner

As the trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Alex Green FCA
GBP Knox
16 High Holborn
London
WC1V 6BX
.....



Date:

30/9/20

The Friends of Seva Mandir
 STATEMENT OF FINANCIAL ACTIVITIES
 for the year ended 31 March 2020

	Note	-----2019/20-----			2018/19
		Restricted funds £	Unrestricted funds £	Total funds £	Total funds £
INCOME AND ENDOWMENTS					
Donations	1	6,250	33,333	39,583	103,602
Gifts in kind	2	-	4,000	4,000	9,700
Investment income	3	-	55	55	-
		<u>6,250</u>	<u>37,388</u>	<u>43,638</u>	<u>113,302</u>
EXPENDITURE					
Charitable Activities:					
Grants payable	4	6,250	48,750	55,000	88,000
Bursary payment	5	-	560	560	-
Support costs	6	-	165	165	346
Raising funds	7	-	5,957	5,957	9,897
		<u>6,250</u>	<u>55,432</u>	<u>61,682</u>	<u>98,243</u>
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS		-	(18,044)	(18,044)	15,059
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD	10	-	23,644	23,644	8,585
TOTAL FUNDS CARRIED FORWARD	10	-	5,600	5,600	23,644

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 14 provides comparative information by fund.

The Friends of Seva Mandir
BALANCE SHEET
as at 31 March 2020

		2020 £	2019 £
Debtors	9	2,010	14,028
Cash at bank:			
Barclays Bank account		635	605
CAF cash account		4,755	9,011
		<u>5,390</u>	<u>9,616</u>
Creditors	10	(1,800)	-
NET ASSETS	12	<u>5,600</u>	<u>23,644</u>
FUNDS:			
Unrestricted funds			
- General fund		1,160	23,644
- Designated fund		4,440	-
Restricted Income Fund		-	-
TOTAL CHARITY FUNDS	12	<u>5,600</u>	<u>23,644</u>

The financial statements on pages 6 to 13 were approved and authorised for issue by the trustees on 17 September 2020 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 2020

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 (FRS102) 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 FRS102 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 AND BURSARY PAYMENTS

Grants payable and bursary payments 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.

DEBTORS

Debtors which are receivable within one year are measured at their recoverable amounts.

CASH

Cash and bank balances includes cash and short term highly liquid investments with a short maturity of less than 90 days from the date of acquisition.

The Friends of Seva Mandir
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

CREDITORS

Creditors and Liabilities payable within one year are measured at the transaction price.

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 trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2019: £nil). Donations from trustees totalled £2,690 (2019: £17,900). There are no other related party transactions in the year (2019: none).

The Friends of Seva Mandir
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2020

1.	DONATIONS	2020	2019
		£	£
	Supporters' donations	30,961	65,523
	Charitable trusts and foundations	6,500	37,536
	Administrative support	2,122	543
		<u>39,583</u>	<u>103,602</u>

2.	GIFTS IN KIND	2020	2019
		£	£
	Event sponsorship	4,000	7,900
	Independent examination	-	1,800
		<u>4,000</u>	<u>9,700</u>

During the year the charity benefitted from donated facilities and services for one main event (2019 : two).

3.	INVESTMENT INCOME	2020	2019
		£	£
	Interest receivable	55	-
		<u>55</u>	<u>-</u>

4.	GRANTS PAYABLE	2020	2019
		£	£
	Seva Mandir	55,000	88,000
		<u>55,000</u>	<u>88,000</u>

During the year the charity made 1 grant (2019: 1) to Seva Mandir, an Indian registered charity which continues to work with some 500,000 village people in Southern Rajasthan. All grants have been paid to an institution.

5.	BURSARY PAYMENTS	2020	2019
		£	£
	Bursary payments	560	-
		<u>560</u>	<u>-</u>

During the year, payments totalling £560 were made from the designated fund to support the travel, living and accommodation expenses of one individual from the UK, in their direct support of work at Seva Mandir India.

6.	SUPPORT COSTS	2020	2019
		£	£
	Bank charges	165	346
		<u>165</u>	<u>346</u>

The Friends of Seva Mandir
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 March 2020

7.	RAISING FUNDS	2020	2019
		£	£
	Insurance	157	197
	Events	4,000	7,900
	Independent examination	1,800	1,800
		<u>5,957</u>	<u>9,897</u>

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

8. TRUSTEES 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 trustees. No trustee received any emoluments during either year. Furthermore, none of the trustees received reimbursement for any expenses in the year (2019: £nil).

9.	DEBTORS	2020	2019
		£	£
	Gift Aid receivable	570	14,028
	Donor contribution towards independent examination fee	1,440	-
		<u>2,010</u>	<u>14,028</u>

10.	CREDITORS	2020	2019
		£	£
	Independent examination	1,800	-

The Friends of Seva Mandir
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 March 2020

11. STATEMENT OF FUNDS

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Restricted fund	-	6,250	(6,250)	-	-
Unrestricted funds					
- Designated fund	-	1,800	(2,360)	5,000	4,440
- General fund	23,644	35,588	(53,072)	(5,000)	1,160
	<u>23,644</u>	<u>35,588</u>	<u>(53,072)</u>	<u>(5,000)</u>	<u>1,160</u>
Total	<u>23,644</u>	<u>43,638</u>	<u>(61,682)</u>	<u>-</u>	<u>5,600</u>

During the year a total of £6,250 was received for specific purposes: £5,000 for provision of bridge schooling and £1,250 specifically for the benefit of purchasing specialised equipment for managing and editing Seva Mandir's photograph library. All restricted amounts were remitted to Seva Mandir during the year to be used specifically for the purpose for which they were given.

Unrestricted funds represents the free funds of the charity and have been provided by donors without restrictions for specific use. The designated fund represents an amount of unrestricted funds set aside by trustees for a specific purpose, to support individuals whose work or academic studies or research would, in the opinion of the trustees, be of direct and material benefit to Seva Mandir but who, in the absence of some funding, would not be able to afford to undertake such work, studies or research or to continue or complete it.

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Debtors £	Cash at Banks £	Creditors £	Total £
Restricted fund	-	-	-	-
Unrestricted fund	2,010	5,390	(1,800)	5,600
	<u>2,010</u>	<u>5,390</u>	<u>(1,800)</u>	<u>5,600</u>
Total	<u>2,010</u>	<u>5,390</u>	<u>(1,800)</u>	<u>5,600</u>

13. 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.

The Friends of Seva Mandir
 NOTES TO THE FINANCIAL STATEMENTS
 for the year ended 31 March 2020

14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	-----2019-----		
	Restricted funds £	Unrestricted funds £	Total funds £
INCOME AND ENDOWMENTS			
Donations	33,736	69,866	103,602
Gifts in kind	-	9,700	9,700
Investment income	-	-	-
	<hr/>	<hr/>	<hr/>
TOTAL INCOME	33,736	79,566	113,302
	<hr/>	<hr/>	<hr/>
EXPENDITURE			
Charitable Activities:			
Grants payable	33,736	54,264	88,000
Bursary payments	-	-	-
Support costs	-	346	346
Raising funds	-	9,897	9,897
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURE	33,736	64,507	98,243
	<hr/>	<hr/>	<hr/>
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS	-	15,059	15,059
RECONCILIATION OF FUNDS			
TOTAL FUNDS BROUGHT FORWARD	-	8,585	8,585
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	-	23,644	23,644
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>