

Sivan Arul -Humanity
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2021

WARREN & CO LTD
Chartered Certified Accountants
228 Chingford Road
Walthamstow
London
E17 5AL

Sivan Arul -Humanity
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2021

	Page
Trustees' annual report (incorporating the director's report)	1
Independent examiner's report to the trustees	9
Statement of financial activities (including income and expenditure account)	11
Statement of financial position	12
Statement of cash flows	13
Notes to the financial statements	14

Sivan Arul -Humanity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2021

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

Reference and administrative details

Registered charity name Sivan Arul -Humanity

Charity registration number 1110238

Company registration number 5399512

Principal office and registered office 2 Monkams Lane
Woodford Green
Essex
IG8 0NL

The trustees

Dr J Namasivayam
Mrs M Namasivayam
Dr P Thayalasekaran
Mr S Sornalingam
Mrs S Thayalasekaran

Independent examiner Mr P Logeswaran Warren & Co.
228 Chingford Road
Walthamstow
London
E17 5AL

Sivan Arul -Humanity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Structure, governance and management

We are the main body of this charity which is based in UK. In Sri Lanka we have two separate Trusts formed and they are registered locally with Sri Lankan government. The first Trust is known as 'Thiruketheeswaram Sivan Arul Illam Trust' The 110 orphans and other destitute children are cared by this trust locally. We have 4 Directors who manage this trust, being the signatories to issue cheques for the day to day running of the organisation. They hold fortnightly or monthly meetings to discuss, children and staff issues and improve our services. We have 21 staff including carers, cooks, security guards and drivers serving in the organisation. The child probation or protection local governmental body have regular monthly meetings with our directors and staff to maintain good, safe care of children. We have appointed independent auditors/ accountants to provide annual audit report for this institution and the reports are all in order and are available on request. The directors are directly in contact with the trustees in UK to inform what is going on and to ask for opinions of trustees in decision making when required.

We have now started two separate hostels for both boys and girls in the same premises. Each hostel accommodates 25 destitute children, a total of 50 children in the hostel. The purpose of the hostel is to give equal opportunities to poor children who are eager to study in other parts of the country (North/East & Upcountry). Now we have a total of 175 children in our entire institution. This was only possible because of our generous donors who are continuing to support.

The second Trust known as 'Thiruketheeswaram Sivan Arul Vocational Training & Production Centre Trust' is there to help the most vulnerable needy families, especially the war affected widows, disabled, amputees and paraplegics to provide livelihood support. We run food processing factory in kilinochi to provide livelihood for the war windows, some are disabled. About 100 vulnerable people are employed in the factory, mostly widows & young women affected by the war. We also run a bakery/ cafeteria in in Mullaithivu to help local community and provide livelihood for disabled & destitute families. About 30 staff, mostly young vulnerable girls are employed in the bakery. This is taken care by two directors both of whom are fully committed to make it a viable, sustainable business venture to provide livelihood support for many families. The directors are in constant touch with the trustees by e-mail and telephone to give feedback, updates of progress. We have monthly reports sent by the accountant in in the factory. Also an independent auditor/ accountant is nominated to audit the productivity, sales and income generated in the factory. We also have qualified registered public health inspectors visiting time to time to assess the quality & hygiene of the products made in both locations. We also have a 5-member team of field officers employed to monitor our children education, programme in the community assess progress of university student sponsor project and hostel students' education projects. This is successfully done with progress reports, from school head masters, hostel wardens, giving us account break downs of expenditures.

Sivan Arul -Humanity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Objectives and activities

Provide sustainable livelihood for war affected vulnerable destitute families, especially the widows, Amputees, disabled and paraplegics, to create job opportunities for local communities in the north/east who are living below poverty level and help their children with improved nutrition, better education facilities etc.

To rehabilitate orphaned children and families in order to meet the spiritual, physical, nutritional, social, educational, economic and skills training needs.

To provide support for homeless and poor individuals and families including emergency shelter, housing, food-assistance in-home care and family support.

To foster human development of poor, disadvantaged and vulnerable women and to ensure socio-economic justice and self reliance for alleviation of poverty.

Sivan Arul-Humanity

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Sivan Arul -Humanity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

Achievements and performance

Tsunami Rehabilitation, also known as 'Sivan Arul Illam' in Sri Lanka has continued to work very hard in the past year with projects that would assist the needy in Vanni area and East, namely Muthur, Batticaloa & Akkaraipattu. We continue to rehabilitate families who are severely affected by the war. It is heart warming to see many of these families are able to manage their lives on their own with income derived from small scale business established for them through our financial assistance.

Our children home in Thiruketheeswaram, Mannar now have around 130 children, age range from 4 to 18 yrs). We have employed 21 staff, including carers, cooks, administrative officers, watchers, etc. The children attend the local Gowri Ambal School. We provide extra tuition for the core subjects. They enjoy the extra-curricular activities, including sports, music, dance, yoga, meditation etc. The children are taken on regular educational & leisure trips outside the home. They are given made to measure new clothes 3 to 4 times a year. 4 children have entered university this year & 10 children qualified to do A/L following recent O/L results. 7 children are studying in university. There were cries from many war affected families for assistance. We have so far rehabilitated over 4000 families by providing means to earn income and continue to provide monthly financial help to about 50 families with widows or paraplegics or amputees, mainly to educate their children. It is very gratifying to see how small regular contributions from us make a difference to the families and education of their children. There are many single mothers caring for their families particularly in Kilinochi & Mullaithivu district. Since they do not have skills to be engaged in a trade they continue to struggle to have 3 meals a day. So, many of their children are undernourished.

A women headed food processing factory has been built in Uruthirapuram, Kilinochi (known as Sivan Arul Vocational Training & Production Centre), to offer sustainable employment opportunities for needy females who are widows, disabled & unmarried. The ladies are now processing large quantities of rice flour, chilli powder, turmeric powder etc., and the main wholesale buyers are the traders in Kilinochi. We are also now exporting these spices to Australia, UK/Europe. We are now employing over 130 vulnerable people. There is also a women hostel attached to this factory, mainly accommodating disabled young women with disabled toilet facilities. They too are employed in the factory. There are around 20 young disabled living here.

We have opened a bakery in Puthukudiyiruppu to help the war affected disabled & vulnerable. This is providing them a sustainable livelihood. They are making bread, cakes, sweets, savoury short eats, buns etc selling them in a mobile van, taking large orders for weddings, parties etc. We are also exporting savouries and sweets abroad made in this bakery. We are employing 30, mostly, vulnerable young women. We have established a vocational Training, IT & Tuition Centre in Akkaraipattu, Amparai next to a girls orphanage. This is registered locally in the name of 'Sivan Arul Foundation'. This is to help the older girls in children home & vulnerable young girls in the local community to seek employment by training them in IT, Beauty therapy, sewing, handicraft, various food processing etc. Also, improving educational standards & encouraging deprived children to aim enter universities. Tuitions given in maths, English, tamil, Sinhala, science, & history. This project has already proved to be successful. We have completed NVQ Level 4, government approved 6 months course in graphic design & administration for the first batch and very pleased to say that all 20 young girls from the local, poor community have seek employment. We are soon going to complete the similar course for about 35 young girls & hope that they too will be successful in seeking jobs. Our recent GCSE results also has been very good for children attending our tuition centre.

We have also started a tuition centre in Olumadu-Nedunkeni, a very poor deprived part of Sri Lanka. This is called 'Sivan Arul Kalvinilayam'. There are over 250 poor children benefiting free tuition in science, maths, English, history, tamil & IT. The recent scholarship exam results for Grade 5 & GCSE O/L results were record breaking & quite exceptional for this year and they have never had this success

in the past, apparently in this particular village. We have made children, teachers & parents very proud by this great achievement. We motivate the keen children in this area to aim for

Sivan Arul -Humanity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

higher education & university entrance. This project sponsored by a well wisher in UK, for the past 2 ½ years.

We are also very grateful to Aadhi Parasakthi Valipattu Mandram, Harrow, UK for providing financial assistances to help our children in Thiruketheeswaram Sivan Arul Illam, providing special meals for them, giving money to deposit in their savings account. They also assist with our other projects, in Kilinochi factory, Puthukudiyiruppu bakery etc The Aadhi Parasakthi Mandram also sponsors regular special meals to the poor, undernourished in the community in Vanni and special meals regularly to the children home.. They also sponsor monthly, supporting many university students, educating many destitute orphan children and helping many families with setting up suitable livelihoods. Their support to our organisation is invaluable for the past 10 years & we cannot sustain without their financial assistances. Aadhi Parasakthi Valipaattu Mandram, Harrow, UK also carries out a large education development project helping over 50 students in Vanni , including university students to achieve good/

higher education in order to seek, &

also donating a large sum of money in re-building lives, mostly in the East of Sri Lanka. Their main focus is on building numerous wells for drinking water, cultivation etc. Also building numerous houses for very poor families living in huts. They also help several families to set up livelihood projects which are sustainable. They also build numerous toilets for poor community. Ratnam Foundation Trust , UK are supporting many projects, including Akkaraipattu IT centre (successful in giving employment for the first batch of 20 poor girls who completed the government approved course), St Xavier school, Aligambai scholarship classes for Grade 5. In fact one of the students got top marks in the last scholarship exam through these classes and received an award for best performance ever from this very poor, deprived area. IT centre in Jaffna through CCYE., IT centre in Nedunkerny etc

New Projects

We have opened a pure vegetarian restaurant, called 'SriRudram'in Thiruketheeswaram, Mannar, employing our own children in the children home. Also offering employment for local community. Next to this we have built a mini factory to produce seasonal authentic food items, such as palmyrah jam, cordial , pinattu, pulukodiyal, odiyil flour, Kassava flour, lime pickle, moor milakai, vadakam etc. We also sell all our factory & bakery products in the restaurant, with a small outlet to showcase all our products (rice flour, Jaffna curry powder, pakkora, kassava chips, ginger biscuits & many more!!!!) There have built 4 luxury rooms with attached toilets built which would attract temple worshipers from abroad & other tourist. These business ventures we believe will generate income for the vulnerable group of the community to have stable livelihood. . We are also targeting children from very poor villages in upcountry to give them an opportunity to have good education which they never had before. We have established a tuition centre & preschool for 200 children in Galkantha, Haputalla

(Bandarawala). These children have shown a significant progress, enthusiasm in this program. This is sponsored by a well-wisher in UK, in memory of his late father & the Tuition Centre is called ' Late Mr M. Sathasivam Sivan Arul Kalvinilayam' We have secured 6 acres government land on long term lease (over 30 yr period, renewable) under the name of children home,

located fairly close the children home . We have planted 400 coconut plants in this land in

order to give children sustainable income in about 3 yrs. Mean time we are gNrowing all the vegetables which otherwise would be bought in the market, fruits etc for daily consumption for the

children. The older children participate in the development

gives them a form of recreation, therapy & hobby to keep them self-active & occupied during their holidays & free time. We are building around 10 houses in this land for our older children with no parents or family. We believe that they will become self reliant over a period of time, starting their own families and will continue to help other needy children and families. We have also secured further 10 acres of government land in Palampitty, Madu district. There is another farm donated to us in Mavittapuram. This also cultivates vegetables, rearing cows to sell milk and chicken poultry to sell eggs. It offers employment for local community. The income generated is supporting our children in education . We have invested a large sum mainly in the east of Sri Lanka, on revolving fund

interest free loanprojects e.g. Goat rearing

chicken poultry for 5 families in Kachikudiyaru, cultivation of ground nuts, ubuntu & cowpea for 60

Sivan Arul -Humanity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

families in Kanchirankuda, Kanchikudiyaru & Kanagar Kiramam (farmers) , sewing machines for 10 vulnerable ladies in Vivekanadapuram . We have given 6 motor water pumps and long feeding pipes to promote cultivation in Aandankulam & Katumurivu, in Batticaloa. The farmers will repay the cost of the water pumps. This will be an integrated farm, with rearing goats, cows, chicken poultry and vegetables. This provides employment to the vulnerable, poor, local community. The income generated will also be shared with our children home, for their day-to-day expenses. We have completed goat rearing program in Vaharai- Batticaloa district & Akkaraipattu for 20 women headed families by giving them each 4 to 5 goats as a lucrative livelihood. We are successfully cultivating vegetables, ground nut, rearing over 30 goats, egg laying chicken poultry farming 3 acres land in Kannagipuram, giving employment for local community, including a leprosy victim who is the care taker. We have also built a house for this family within our farm. The proceeds are sold in the local market & some of the profits are used for the running of our tuition centre in Akkaraipattu. We are also cultivating another 3 acres land in Neenakerny in Muthur district to help the poor community. We are about to start a multipurpose community centre in our land here to conduct after school educational, sports activities, Aranery & recreation for elderly who are begging on streets for living. After school activities are also going to be conducted in 3 other centres in Muthur, (Seethanaveli, Paattalipuram & Santhosapuram), mainly to motivate children many of whom are not attending schools due to poverty, lack of interest from parents. We are also constructing many simple, drinking, bathing water wells in Batticaloa & Amparai district where there are many poor villages without drinking, bathing water & toilet facilities. We are also supplying 'Saththuma' nutritional powder free, for about 1700 pre-school & primary school children in Vanni & East where there is extreme poverty & malnutrition. We started this program 4 years ago & our studies have proved them to be very useful, making a positive impact on the performance, growth & school attendance of these children. We have introduced a unique education program for our 4 tuition centres across the country, in Mannar, in our children home (Sivan Arul Illam), Olumadu-Nedunkerny, Sivan Arul Kalvinilayam, Upcountry, in Bandarawala, (Late Mr Sathasivam Memorial Education Centre) & Akkaraipattu, Sivan Arul Foundation. This is known as e-learning using, tablets (for individual students), projector/screen/ laptop in groups for grade 10 & 11 , following the syllabus, in English, maths & science. We believe this would help improve educational standards of children living in poverty-stricken areas. This is sponsored by Jaffna University Graduate Association, Victoria- Australia.

We are truly grateful to all donors; without their support it would not be possible to continue with all our projects.

Sivan Arul -Humanity

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) (continued)

Year ended 31 March 2021

Financial review

We trustees have examined the requirements for free reserves, which are those unrestricted funds not invested in fixed assets, designed for specific purposes or otherwise committed. The trustees have set a reserves policy which requires: Reserves are maintained at a level which ensures that Tsunami Rehabilitation's core activity could continue during a period of unforeseen difficulty.

Principal funding sources and how expenditure in the year under review has supported the key objectives of the charity. .

The members of the Board of Trustees of the Charity at the date the report and accounts were approved were:-

Dr. Jayendran Namasivayam
Mrs. Manchula Namasivayam
Mr. Surendra Sornalingam
Dr. Pararasasekaran Thayalasekaran
Mrs. Shanthi Thayalasekaran

All the directors of the company are also trustees of the charity, and their responsibilities include all the responsibilities of directors under the Companies Acts and of trustees under the Charities Acts.

The directors/trustees are all members of the charity.

The members of the Board of Trustees of the Charity at the date the report and The principal funding sources are donation from individuals, organisations and charities. No salary is paid to employees and trustees. The employees and trustees work on voluntary basis. All the funds are used for project work in Sri Lanka. The members of the Board of Trustees of the Charity during the year Sivan Arul-Humanity

TRUSTEES ANNUAL REPORT (continued)

Sivan Arul- Humanity-YEAR ENDED 31 MARCH 2021

The report of the trustees for the year ended 31 March 2021

Bankers
National Westminster Bank Plc

Independent Examiner
P Logeswaran
Warren & Co
Chartered Certified Accountants
10 Chingford Road
London
E17 4PJ

This report was approved by the board of trustees on 27/01/2022 2021


Dr. J. Namasivayam
Director and Trustee

Sivan Arul -Humanity

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Sivan Arul -Humanity

Year ended 31 March 2021

I report to the trustees on my examination of the financial statements of Sivan Arul -Humanity ('the charity') for the year ended 31 March 2021.

Responsibilities and basis of report

The trustees are also the directors of the company for the purposes of company law and are responsible for the preparation of the financial statements. The 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. The charity's gross income exceeded £25,000 and I am qualified to undertake the examination by being a qualified member of ACCA.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, 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.

Independent examiner's statement

Since your charity's gross income exceeded £25,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA which is one of the listed bodies.

P Logeswaran ACCA ACMA
Warren & Co Ltd
228 Chingford Road
London
E17 5AL

Sivan Arul -Humanity

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Sivan Arul -Humanity (continued)


Year ended 31 March 2021

In connection with my examination, no matter has come to my attention,

1. which gives me no reasonable cause to believe that in, any material respect, the requirements: o to keep accounting records in accordance with section 130 of the Charities Act; and o to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have 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.



Mr P. Logeswaran
Warren & Co.

Independent Examiner

228 Chingford Road
Walthamstow
London
E17 5AL

27 December 2021

Sivan Arul -Humanity
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 March 2021

		2021		2020
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	5	375,928	375,928	442,103
Investment income	6	3	3	9
Total income		<u>375,931</u>	<u>375,931</u>	<u>442,112</u>
Expenditure				
Expenditure on raising funds:				
Costs of raising donations and legacies	7	16,741	16,741	—
Expenditure on charitable activities	8,9	345,016	345,016	423,656
Total expenditure		<u>361,757</u>	<u>361,757</u>	<u>423,656</u>
Net income and net movement in funds		<u>14,174</u>	<u>14,174</u>	<u>18,456</u>
Reconciliation of funds				
Total funds brought forward		21,099	21,099	2,643
Total funds carried forward		<u>35,273</u>	<u>35,273</u>	<u>21,099</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 20 form part of these financial statements.

Sivan Arul -Humanity
Company Limited by Guarantee
Statement of Financial Position
31 March 2021

	Note	2021 £	£	2020 £
Current assets				
Cash at bank and in hand		<u>35,272</u>		<u>21,099</u>
Net current assets			<u>35,272</u>	<u>21,099</u>
Total assets less current liabilities			<u>35,272</u>	<u>21,099</u>
Funds of the charity				
Unrestricted funds			<u>35,273</u>	<u>21,099</u>
Total charity funds	15		<u>35,273</u>	<u>21,099</u>


For the year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 27 December 2021, and are signed on behalf of the board by:


Dr J Namasivayam
Trustee

The notes on pages 14 to 20 form part of these financial statements.

Sivan Arul -Humanity
Company Limited by Guarantee
Statement of Cash Flows
Year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income	14,174	18,456
<i>Adjustments for:</i>		
Other interest receivable and similar income	(3)	(9)
Cash generated from operations	14,171	18,447
Interest received	3	9
Net cash from operating activities	<u>14,174</u>	<u>18,456</u>
Net increase in cash and cash equivalents	14,174	18,456
Cash and cash equivalents at beginning of year	<u>21,099</u>	<u>2,643</u>
Cash and cash equivalents at end of year	<u>35,273</u>	<u>21,099</u>

The notes on pages 14 to 20 form part of these financial statements.

Sivan Arul -Humanity
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 March 2021

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 2 Monkams Lane, Woodford Green, Essex, IG8 0NL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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 (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The charity is treated as a going concern as there is a foundation of regular donors who will continue to donate money.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Regular donors will continue to make contributions in the future. The trustees will continue to find new individuals/organisations that will donate money.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Sivan Arul -Humanity

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Sivan Arul -Humanity
Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

There is no guarantee of members and no liability for members; the charity only spends money received through donation and does not borrow any money.

Sivan Arul -Humanity

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
HMRC Gift Aid Tax Claim	73,571	73,571	50,446	50,446
Gift From Individual	59,549	59,549	36,241	36,241
Income from fund raising activities	11,275	11,275	—	—
Income from other organisation	19,763	19,763	11,056	11,056
Income from Money Box	277	277	10,877	10,877
Aadhi Parasakthi-Devotees-Individuals	98,354	98,354	71,992	71,992
Thiruketheeswaram Temple Projects	6,500	6,500	50,000	50,000
Unclassified Donations	7,822	7,822	726	726
Sree Ayyappa Seva	6,000	6,000	6,000	6,000
T Balendra	79,440	79,440	30,583	30,583
Dr J Namasivayam	13,377	13,377	66,706	66,706
Jaffna Hospital Scan Project	—	—	94,950	94,950
HMRC Gift Aid Claim Scan Project	—	—	12,526	12,526
	<u>375,928</u>	<u>375,928</u>	<u>442,103</u>	<u>442,103</u>

6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable type 1	—	—	9	9
Bank interest receivable type 3	3	3	—	—
	<u>3</u>	<u>3</u>	<u>9</u>	<u>9</u>

7. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Costs of raising donations and legacies				
- Other type 1	16,741	16,741	—	—
	<u>16,741</u>	<u>16,741</u>	<u>—</u>	<u>—</u>

Sivan Arul -Humanity

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Family Support & Livelihood	206,489	206,489	243,890	243,890
Other Projects (Addhi Parasakthi & Saththuma)	102,414	102,414	67,799	67,799
Activity type 4	—	—	107,264	107,264
Factory Projects (Materials & Other expenses)	36,113	36,114	4,393	4,393
Support costs	—	—	310	310
	<u>345,016</u>	<u>345,016</u>	<u>423,656</u>	<u>423,656</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2021 £	Total fund 2020 £
Family Support & Livelihood	203,381	203,381	243,890
Other Projects (Addhi Parasakthi & Saththuma)	102,414	102,414	67,799
Other Charitable Activities	—	—	107,264
Factory Projects (Materials & Other expenses)	36,114	36,114	4,393
Governance costs	—	—	310
	<u>341,909</u>	<u>341,909</u>	<u>423,656</u>

10. Net income

Net income is stated after charging/(crediting):

2021 £	2020 £
<u> </u>	<u> </u>

11. Independent examination fees

Independent examination was conducted voluntarily by Mr P Logeswaran of Warren & Co. for no charge.

12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021 £	2020 £
Wages and salaries	32,789	50,000
Staffs' costs	9,396	—
Other employee benefits	23,800	—
	<u>65,985</u>	<u>50,000</u>

Sivan Arul -Humanity

Company Limited by Guarantee

Notes to the Financial Statements (continued)

Year ended 31 March 2021

12. Staff costs (continued)

The average head count of employees during the year was 5 (2020: Nil). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Volunteers	<u>5</u>	<u>—</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

13. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees;

14. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £9,396 (2020: £Nil).

15. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020 £	Income £	Expenditure £	At 31 March 2021 £
General funds	<u>21,099</u>	<u>375,931</u>	<u>(361,757)</u>	<u>35,273</u>

	At 1 April 2019 £	Income £	Expenditure £	At 31 March 2020 £
General funds	<u>2,643</u>	<u>442,112</u>	<u>(423,656)</u>	<u>21,099</u>

16. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Current assets	<u>35,273</u>	<u>35,273</u>

	Unrestricted Funds £	Total Funds 2020 £
Current assets	<u>21,099</u>	<u>21,099</u>

Sivan Arul -Humanity

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

17. Analysis of changes in net debt

	At 1 Apr 2020	Cash flows	At 31 Mar 2021
	£	£	£
Cash at bank and in hand	<u>21,099</u>	<u>14,173</u>	<u>35,272</u>