

**CARE SRI LANKA**  
**REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2021**

**Charity Number 1140552**

**CARE SRI LANKA**  
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**31 MARCH 2021**

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## CARE SRI LANKA

### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The financial statements have been prepared in accordance with the Trust Deed, the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting.

#### Reference and Administrative Information

Charity name	Care Sri Lanka
Charity registration number	1140552
Principal address	12 London Road Hailsham East Sussex BN27 1EB
Trustees	Gary Donaldson Jackie Donaldson Paul Fountain (Resigned 28 April 2021) Gerrard Hemmings (Resigned 28 April 2021) Grace Thetheyou Richard Clarke (Chairman) (Appointed 10 May 2021)
Bankers	NatWest Bank 1 High Street Hailsham East Sussex BN27 1AJ
Independent Examiner	Jacob Cavenagh & Skeet, Chartered Accountants 5 Robin Hood Lane Sutton Surrey SM1 2SW

#### Objects of the charity

The charity is a trust and is governed by its Trust Deed dated 15 November 2010. The objects of the charity, as set out in the governing document are:

- To advance education and relieve sickness and financial hardship; and
- To promote and preserve good health by the provision of funds, goods or services of any kind.

This is to be done in such parts of Sri Lanka or the world as the trustees from time to time may think fit. At the present time, the charity's work is carried out solely in Sri Lanka and, as set out in the section on public benefit, the charity funds a range of activities to enable it to achieve these objects.

## CARE SRI LANKA

### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### Summary of the charity's main activities and achievements

To further the above objects and vision, the charity's main activities and achievements related to the provision of funds to Sri Lanka to enable the following:

- Sponsoring around 190 Children
- Education – funding 12 preschools for 370 children and 10 evening tuition classes for approximately 270 students
- Medical – paying for GP assessment and treatment for over 550 people.
- Providing self-employment opportunities for over 65 families
- Shipments – sending out one 40ft container of clothes, household items and toys
- Funding a daily food programme for approximately 450 children and 198 widows
- Providing over 2,500 families with Covid relief in the form of food bags and other suitable items.

Most the charity's activities are undertaken by volunteers and the charity could not operate effectively without their efforts.

In planning the activities, the trustees have applied the guidance on public benefit issued by the Charity Commission.

Project work in Sri Lanka is monitored during visits from the trustees and other UK volunteers. However, no visits were possible during the year due to the Covid pandemic. The chairman and secretary visited Sri Lanka in November 2021 to evidence progress on funded projects. The accounting records and financial controls were checked to confirm reliability and accuracy. Restricted donations are being spent as requested.

#### Structure, Governance and Management

Responsibility for setting policy and for making operating decisions rests with the trustees who meet regularly to monitor the activities of the charity. New trustees are recruited and appointed by a majority of the existing trustees.

#### Financial review

The charity received donations including gift aid recoverable and donated goods totalling £264,062 throughout the year ended 31 March 2021 (2020: £314,532). During the year, funds totalling £301,575 (2020: £172,577) and donated goods of £5,500 (2020: £11,000) were transferred to Sri Lanka. £10,306 (2020: £28,214) was used to cover various expenses, including administrative costs and expenditure relating to shipments and projects.

#### Reserves policy

The general policy of the Board of Trustees is that cash reserves held by the charity should be maintained at approximately £30,000 as a contingency against events such as flood, famine and natural disaster which can arise unexpectedly and have a significant impact on the population. Care Sri Lanka will hold these reserves in order to be able to respond in a timely manner to the humanitarian need caused by such events; a smaller reserve would not be sufficient to have the impact needed in the communities in which Care Sri Lanka is involved. In addition, there can be banking restrictions over the amount which can be transferred in a specific time period and at least one month's worth of restricted funds can be held in the account pending the next transfer to Sri Lanka. The available cash reserves held at 31 March 2021 for these purposes was £83,206 (2020: £106,079) (comprised of £30,000 cash reserve, £40,864 unrestricted cash due to be transferred to Sri Lanka, and £12,342 cash balance in the restricted funds due to be transferred to Sri Lanka).

#### Key risks and uncertainties

The charity is exposed to various risks - be they operational, financial or reputational. The trustees review the charity's activities regularly to identify significant risks and, where possible, they take appropriate measures to mitigate those risks.

## CARE SRI LANKA

### TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### Plans for the future

The charity plans to continue with existing programmes to provide emergency food relief, nutrition programmes for children and widows, pre-schools, children's homes, building and repairing homes, tuition, and medical help. It also plans to fund business start-ups where resources are available. The charity will also respond to needs as they arise as was done post year end following the unfolding of the Covid pandemic.

#### Responsibilities of trustees under charity law

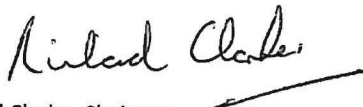
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity as at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Approval

This report was approved by the trustees on 25 January 2022 and signed on their behalf by



Richard Clarke, Chairman



INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF

CARE SRI LANKA

**Independent examiner's report to the trustees of Care Sri Lanka**

I report to the charity trustees on my examination of the accounts of Care Sri Lanka for the year ended 31 March 2021 set out on pages 5 to 12.

**Responsibilities and basis of report**

As the charity's trustees 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 Church's accounts as carried out under section 145 of the 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.

**Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no 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 Church 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 Report) 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; or
4. the accounts have not been prepared in accordance with the methods and principles of 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 the Republic of Ireland (FRS 102).

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.



Miriam Hickson CTA FCA  
Jacob Cavenagh & Skeet  
5 Robin Hood Lane  
Sutton  
Surrey  
SM1 2SW

Date: 28 January 2022

**CARE SRI LANKA**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 MARCH 2021**

	<b>Note</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2021 £</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2020 £</b>
<b>Income from:</b>							
Donations and legacies	<b>2</b>	124,072	134,490	258,562	160,151	143,381	303,532
Donated goods	<b>2</b>	<u>5,500</u>	-	<u>5,500</u>	<u>11,000</u>	-	<u>11,000</u>
<b>Total income</b>		<u>129,572</u>	<u>134,490</u>	<u>264,062</u>	<u>171,151</u>	<u>143,381</u>	<u>314,532</u>
<b>Expenditure on:</b>							
Charitable activities	<b>3</b>	161,621	154,883	316,504	92,889	115,912	208,801
Raising funds	<b>4</b>	<u>877</u>	-	<u>877</u>	<u>2,990</u>	-	<u>2,990</u>
<b>Total expenditure</b>		<u>162,498</u>	<u>154,883</u>	<u>317,381</u>	<u>95,879</u>	<u>115,912</u>	<u>211,791</u>
<b>Net income/(expenditure)</b>		(32,926)	(20,393)	(53,319)	75,272	27,469	102,741
Transfers between funds	<b>10,11</b>	-	-	-	-	-	-
<b>Net movement in funds</b>		<u>(32,926)</u>	<u>(20,393)</u>	<u>(53,319)</u>	<u>75,272</u>	<u>27,469</u>	<u>102,741</u>
<b>Reconciliation of funds</b>							
Balances brought forward		<u>109,401</u>	<u>50,440</u>	<u>159,841</u>	<u>34,129</u>	<u>22,971</u>	<u>57,100</u>
<b>Balances carried forward</b>	<b>10,11</b>	<u>76,475</u>	<u>30,047</u>	<u>106,522</u>	<u>109,401</u>	<u>50,440</u>	<u>159,841</u>

There were no discontinued or acquired activities during the current or preceding year.

**CARE SRI LANKA**

**BALANCE SHEET**

AS AT 31 MARCH 2021

	<i>Note</i>	<b>2021</b>		<b>2020</b>	
		£	£	£	£
<b>Current assets</b>					
Stock	<b>6</b>	100		100	
Debtors	<b>7</b>	25,856		58,465	
Cash at bank and in hand	<b>8</b>	<u>83,206</u>		<u>106,079</u>	
		109,162		164,644	
<b>Creditors: Amounts falling due within one year</b>	<b>9</b>	( <u>2,640</u> )		( <u>4,803</u> )	
<b>Net current assets</b>			<u>106,522</u>	<u>159,841</u>	
<b>Net assets</b>	<b>12</b>		<u>106,522</u>	<u>159,841</u>	
<b>Funds</b>	<b>10,11</b>				
Unrestricted Funds			76,475	109,401	
Restricted Funds			<u>30,047</u>	<u>50,440</u>	
			<u>106,522</u>	<u>159,841</u>	

Approved by the Trustees on 25 January 2022 and signed on their behalf by:



Richard Clarke  
Chairman and Trustee



**CARE SRI LANKA**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1 ACCOUNTING POLICIES**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**Accounting convention**

The financial statements have been prepared in accordance with the Trust Deed, the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting. The accounts are presented in pounds sterling and figures are rounded to the nearest pound.

Care Sri Lanka meets the definition of a public benefit entity under FRS 102. The principal address is 12 London Road, Hailsham, East Sussex, BN27 1EB

**Going concern**

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

**Donated and grant income**

Income is recognised in the period in which the charity becomes entitled to receipt, the amount receivable can be measured with reasonable certainty, and receipt is probable. For the most part, income is generally recognised when it is received. Income is only deferred when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period

Income from donations and legacies includes:

- i. Recoverable gift aid. This is recognised when the related donation is received. Gift aid that has not been recovered by the balance sheet date is included as a debtor.
- ii. Donated facilities, services and goods. Goods donated for distribution to beneficiaries are recognised as income when receivable at fair value (being an estimate of the amount it would cost to purchase those items). Facilities, services and goods donated for the charity's own use are recognised as income when receivable at their value to the charity. The charity relies on volunteers to carry out many of its activities, particularly administrative functions in the UK and practical assistance provided in Sri Lanka. However, in accordance with the SORP, the value of these services has not been included in these financial statements as they cannot be reliably measured. When donated goods, services and facilities are distributed or consumed, an expense in respect of those items is included in the Statement of Financial Activities. At the year end any goods that have not been distributed or consumed are recognised as stock; donated fixed assets (of which there are none) are capitalised.
- iii. Legacies. Income from legacies is recognised when a distribution is received from the estate or, if earlier, when the charity has been notified that a distribution will be made and the amount receivable can be measured reliably.

**Expenditure**

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

## CARE SRI LANKA

### NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 1 ACCOUNTING POLICIES (continued)

##### Expenditure (continued)

The charity makes grants to other institutions and individuals to further its charitable objectives. Grants payable are recognised as constructive obligations arise, which is generally when the charity expresses a commitment to the recipient that can be measured reliably and then only to the extent that any conditions associated with the grant are outside of the control of the charity.

##### Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. Restricted funds are donations which are to be used in accordance with specific restrictions imposed by donors; they include donations received from appeals for specific activities or projects. Endowment funds are donations that are retained as capital in accordance with the donor's wishes. The nature of the restriction determines whether the endowments represent permanent endowments or expendable endowments.

##### Tangible fixed assets

The charity does not hold any fixed assets. All items are expensed as they are given away for use in Sri Lanka.

##### Stocks

Stocks of donated items held for distribution to beneficiaries are measured at fair value; stocks of goods donated for the charity's own use are valued at an estimate of their value to the charity.

##### Taxation

The charity has taken advantage of the various reliefs from taxation available to charities and no tax is payable on the charity's income.

##### Exemption from preparing a cashflow statement

The charity has taken advantage of an exemption conferred by the Charities SORP and has not prepared a cash flow statement.

##### Critical accounting estimates and areas of judgement

The trustees do not consider that there any material sources of estimation or uncertainty at the balance sheet date that could result in a material adjustment to the carrying values of assets and liabilities in the next reporting period.

#### 2 DONATIONS AND LEGACIES

	2021 £	2020 £
Donations of cash and similar	233,511	259,534
Legacy income	308	26,216
Income tax recoverable	<u>24,743</u>	<u>17,782</u>
	<u>258,562</u>	<u>303,532</u>

##### Donations in kind comprise the following:

	2021 £	2020 £
Donated goods – Clothing and household supplies	<u>5,500</u>	<u>11,000</u>
	<u>5,500</u>	<u>11,000</u>

# CARE SRI LANKA

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

### 3 CHARITABLE EXPENDITURE

	2021	2020
	£	£
<i>Costs incurred directly on specific activities</i>		
Shipments to Sri Lanka	3,302	6,813
Flights	-	2,093
Supplies/equipment costs	343	1,363
Donations in kind expensed	5,500	11,000
Grants payable	<u>301,575</u>	<u>172,577</u>
	<u>310,720</u>	<u>193,846</u>
<i>Costs incurred on support &amp; administration</i>		
UK support costs	475	4,432
Magazine and mailing costs	1,953	4,236
Independent examination	1,440	1,194
Accountancy	1,200	2,106
Miscellaneous costs	<u>716</u>	<u>2,987</u>
	<u>5,784</u>	<u>14,955</u>
<b>Total charitable expenditure</b>	<u><b>316,504</b></u>	<u><b>208,801</b></u>

Grants made to further the charity's objects, were as follows:

	£	£
General support/relief	146,692	56,665
Appeals	65,748	63,190
Children's funds	57,115	33,453
Famine and flood relief	3,337	1,194
Projects	18,547	15,994
Widows	490	315
Miscellaneous	<u>9,646</u>	<u>1,766</u>
	<u><b>301,575</b></u>	<u><b>172,577</b></u>

These grants were made to Children for Jesus Church, Sri Lanka.

### 4 COST OF RAISING FUNDS

	2021	2020
	£	£
DVD production	-	-
Mileage allowance	<u>877</u>	<u>2,990</u>
	<u><b>877</b></u>	<u><b>2,990</b></u>

# CARE SRI LANKA

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

### 5 STAFF COSTS AND TRUSTEES REMUNERATION

The charity has no full time equivalent employed staff. Its activities are wholly carried out by volunteers.

No remuneration was paid to any trustee during the year nor to any person connected to them.

During the year, two (2020: four) trustees were reimbursed for costs totalling £2,479 (2020: £10,851). These include costs of travel within the UK to report to supporters on the charity's work. Reimbursements were also made in relation to UK office supplies and equipment purchased for use in Sri Lanka. Otherwise, no trustee received reimbursed expenses.

The total amount of donations funded by trustees and other related parties was £1,200 (2020: £6,970).

No other transactions have taken place with related parties during the year.

### 6 STOCK

	2021 £	2020 £
Donated goods – For distribution to beneficiaries	<u>100</u>	<u>100</u>
	<u>100</u>	<u>100</u>

### 7 DEBTORS

	2021 £	2020 £
Income tax recoverable	25,856	32,249
Legacy debtor	-	26,216
Prepayments and accrued income	-	-
	<u>25,856</u>	<u>58,465</u>

### 8 Cash at Bank and in Hand

	2021 £	2020 £
Cash at bank with immediate access	<u>83,206</u>	<u>106,079</u>
	<u>83,206</u>	<u>106,079</u>

### 9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	-	-
Accruals	<u>2,640</u>	<u>4,803</u>
	<u>2,640</u>	<u>4,803</u>



# CARE SRI LANKA

## NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021 (continued)

### 10 UNRESTRICTED FUNDS

	<i>At 01.04.20</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers</i> £	<i>At 31.03.21</i> £
General fund	<u>109,401</u>	<u>129,572</u>	<u>(162,498)</u>	<u>-</u>	<u>76,475</u>

	<i>At 01.04.19</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers</i> £	<i>At 31.03.20</i> £
General fund	<u>34,129</u>	<u>171,151</u>	<u>(95,879)</u>	<u>-</u>	<u>109,401</u>

### 11 RESTRICTED FUNDS

	<i>At 01.04.20</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers</i> £	<i>At 31.03.21</i> £
Appeals – Famine/drought appeal	2,773	-	-	-	2,773
Appeals – Well building	4,873	61,336	( 65,748)	-	461
Children's fund – regular sponsorship	25,737	41,749	( 57,115)	-	10,371
Famine and flood relief	1,154	7,735	( 3,337)	-	5,552
Miscellaneous – relief work etc	7,758	7,271	( 9,646)	-	5,383
Projects – teachers' wages	2,970	16,004	( 18,547)	-	427
Projects - business	5,000	-	-	-	5,000
Widows support	<u>175</u>	<u>395</u>	<u>( 490)</u>	<u>-</u>	<u>80</u>
	<u>50,440</u>	<u>134,490</u>	<u>(154,883)</u>	<u>-</u>	<u>30,047</u>

	<i>At 01.04.19</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Transfers</i> £	<i>At 31.03.20</i> £
Appeals – Famine/drought appeal	2,773	-	-	-	2,773
Appeals – Well building	-	68,063	( 63,190)	-	4,873
Children's fund – regular sponsorship	13,089	46,101	( 33,453)	-	25,737
Famine and flood relief	1,075	1,273	( 1,194)	-	1,154
Miscellaneous – relief work etc	464	9,060	( 1,766)	-	7,758
Projects – teachers' wages	500	18,464	( 15,994)	-	2,970
Projects - business	5,000	-	-	-	5,000
Widows support	<u>70</u>	<u>420</u>	<u>( 315)</u>	<u>-</u>	<u>175</u>
	<u>22,971</u>	<u>143,381</u>	<u>(115,912)</u>	<u>-</u>	<u>50,440</u>

**CARE SRI LANKA**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

**12 ANALYSIS OF NET ASSETS BY FUND**

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>At 31.03.21</i>
	£	£	£
Stock and debtors	8,251	17,705	25,956
Cash at bank and in hand	70,864	12,342	83,206
Current liabilities	( 2,640)	-	( 2,640)
	<u>76,475</u>	<u>30,047</u>	<u>106,522</u>
	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>At 31.03.20</i>
	£	£	£
Stock and debtors	37,476	21,089	58,565
Cash at bank and in hand	76,728	29,351	106,079
Current liabilities	( 4,803)	-	( 4,803)
	<u>109,401</u>	<u>50,440</u>	<u>159,841</u>

**13 TRANSACTIONS WITH RELATED PARTIES**

During the year, there were donations of £1,150 (2020: £7,515) made by the Providence Trust to Care Sri Lanka, for whom a trustee, Paul Fountain, also serves as a trustee.