

REGISTERED COMPANY NUMBER: 07629043 (England and Wales)
REGISTERED CHARITY NUMBER: 1142610

**Report of the Trustees and
Financial Statements for the Year Ended 31 May 2022**

for

**Om Saravanabhava Seva Trust
(A Company Limited by Guarantee)**

BBK Partnership
Chartered Accountants
& Statutory Auditors
1 Beauchamp Court
10 Victors Way
Barnet
Hertfordshire
EN5 5TZ

Om Saravanabhava Seva Trust

**Contents of the Financial Statements
for the Year Ended 31 May 2022**

	Page
Report of the Trustees (incorporating strategic and directors reports)	1 to 5
Report of the Independent Auditors	6 to 8
Statement of Financial Activities	9
Statement of Financial Position	10
Statement of Cash Flows	11
Notes to the Statement of Cash Flows	12
Notes to the Financial Statements	13 to 22
Detailed Statement of Financial Activities	23 to 24

Om Saravanabhava Seva Trust

Report of the Trustees (incorporating strategic and directors reports) for the Year Ended 31 May 2022

The Trustees present their report and the audited financial statements of the charity for the year ended 31 May 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, 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 published in October 2019.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's objects are specifically restricted to the following:

To advance the Hindu Religion in particular but not exclusively by the establishment and management of the Sharavana Baba Community Centre which incorporates a Temple; and the advancement of education in the Culture and Art. To further its objects, the Charity may:

- Organise events and to arrange activities to raise funds for progress / promotion of the community centre and objectives of the Trust;
- Establish Hindu Religious and Educational Institutions for the benefits of the Hindu Community;
- Raise funds, invite and receive contributions from person or persons by way of subscriptions and otherwise provided that the Trust shall not undertake trading activities in raising funds for the said objects; and
- Invest the monies of the Trust not immediately required for the said objectives in or upon such investment, securities or property as may be thought fit, subject nevertheless to such conditions (if any) as may for the time being be imposed or required by law.

Public benefit

In setting out the objectives and planning the activities, the trustees have given careful consideration to complying with the duty in section 17 of the Charities Act 2011 to have regard to the public benefit guidance published by the Charity Commission.

The Charity has also achieved the public benefit objectives by meeting the spiritual requirements of the congregation. This was achieved by holding the daily poojas, arti and discourses. All key festival and religious dates are observed and celebrated by the devotees.

STRATEGIC REPORT

Achievement and performance

Charitable activities

The Trustees are pleased to report on this year in which the Charity fulfilled its objectives. All funds received during the year have been applied in meeting the Charity's charitable objectives.

Any surpluses arising from donations and other income are held for the general benefit of the Charity's operations.

Fundraising activities

The Charity depends heavily upon the continuing support of devotees. We also thank all volunteers for their hard work during the year, particularly those working within the areas of Prashad preparations, various educational activities, car park duties, cleaning, organised special events, decorations, and other religious activities and pray that they continue to serve the Trust in the future.

Financial review

Financial position

The charity, with the aid of sound financial management and the support of both its management and staff even in this difficult time of COVID 19 pandemic generated the total revenues of £1,252,794 for the year ending 31 May 2022. Though the revenue generated this year is less than the revenue generated in the year 2021, Trust still regards it as a positive outcome considering many business are struggling to cope in this difficult time of COVID 19 Pandemic. However, to generate more revenues in coming years we are now focusing on increasing our business volume by focusing more on our recruitment which will allow us to support more services users thereby generating more revenues.

**Report of the Trustees (incorporating strategic and directors reports)
for the Year Ended 31 May 2022**

STRATEGIC REPORT

Financial review

Investment policy and objectives

The Trustees' investment powers allow the Trustees to invest surplus funds to generate income with which to fund future activities.

The Trustees' investment policy is to aim for safety, commensurate with immediate and planned spending requirements and given the current uncertainties in the financial markets, the Trustees consider it appropriate to be holding funds in deposit accounts where they achieve a steady return.

Reserves policy

An increase in unrestricted reserves totaling to £830,419 (2021 - £454,016) indicates that there are no material risks to the Trust's ability to operate as a going concern. As a result, the accounts have been prepared on a going concern basis.

The Trustees have confirmed that, after careful review of the reserves policy, the most appropriate measure of reserves for the Charity is by reference to the Charity's liquidity position. As at 31 May 2022, in considering the adequacy of the reserves, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they have continued to adopt the going concern basis concept in preparing the financial statements.

The Trustees consider the key measure of sustainability for the Charity to be current and future liquidity cover, rather than the surplus or deficit accounting position. As a consequence, the Trustees have set appropriate reserves policies relating to liquidity based on the relationship between readily realisable assets, on-going level of donations received, and the cash requirements associated with sustaining the Charity's operations for a year.

In establishing this policy, the Board of Trustees conducts an annual review of the level of unrestricted reserves in the general fund by considering risks associated with the various income streams, expenditure plans and balance sheet items.

This enables an estimate to be made of the level of reserves that are sufficient:

- to allow time for re-organisation in the event of a downturn in income or asset values;
- to protect ongoing work programme; and
- to allow the Charity to meet its objectives.

Risks and issues considered by the Board of Trustees in making this judgement on the level of unrestricted reserves include:

- likelihood of a downturn in income streams;
- year of time required to re-establish income streams;
- year of time required to downsize the Charity operations; - whether there is adequate control over budgets; and
- requirements for a reasonable level of working capital.

The Trustees are of the view that with minimum annual income of £500,000, maintaining cash reserves of at least £50,000 will provide sufficient resources in the event of adverse conditions. The Trustees have also assessed other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

In the event of the Charity facing difficult financial circumstances, this would allow it to continue operations during a year of managed adjustment to these new circumstances.

The Trustees review the Charity's reserves policy annually and are satisfied with this level of cash reserves at the end of 2022 and are confident that the cash reserves will continue to increase in subsequent years.

Om Saravanabhava Seva Trust

Report of the Trustees (incorporating strategic and directors reports) for the Year Ended 31 May 2022

STRATEGIC REPORT

Risk management

The Trustees have an informal risk management strategy which comprises:

- Ongoing review of the risks the Charity may face;
- Establishment of systems and procedures to mitigate those risks; and
- Implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

The Board of Trustees is responsible for the management of the risks faced by the Trust. Consideration of such risks is made on an informal ongoing basis and controls to mitigate such risks are reviewed on an ongoing informal basis. A review and assessment of these controls is undertaken on an annual basis.

Through the above, the Trustees are satisfied that major risks identified are subsequently mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The activities of the Charity are dependent on its ability to raise funds from donations. The key risk for 2022 therefore is the Charity's ability to secure ongoing funding to support the building of the community centre and temple. The Trustees consider this risk to be low as its donors are diverse and very supportive. The charitable expenditure is largely discretionary and can be reduced to mitigate a substantial reduction in income.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation is a charitable company limited by guarantee, incorporated on 10 May 2011. The company was established under a Memorandum of Association which established the objects and powers of the company and is governed under its Articles of Association. In the event of company being wound up, members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles known as members of the management committee. Under the requirements of Memorandum and Articles of Association, the members of the Management Committee nominated by the member organisation are appointed for a period of three years after which they must be re-elected at the next Annual General Meeting.

Each member of the Management committee is from a different professional background and offers skills required for smooth and efficient strategic and operational planning.

Organisational structure

The Trust is a company limited by guarantee. None of the Trustees had any beneficial interest in the company during the year.

The Trust is a Registered Charity under the Laws of England and Wales, which is overseen by the Charity Commission. The Trustees are responsible for the activities of the Trust and the day to day management.

There are currently four members each giving a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up. The governing document is the Articles of Association.

Om Saravanabhava Seva Trust

Report of the Trustees (incorporating strategic and directors reports) for the Year Ended 31 May 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustee Induction and Training

Most trustees are already familiar with the practical work of the charity having been volunteered for the charity for the last 10 years. Additionally, new trustees have an induction meeting with Chairman, Vice Chairman, Secretary & the Treasurer before having a formal meeting with registered Manager and his/her staff which is aimed to familiarise them with day to day operations, tactical & strategic planning. The trustees are encouraged to attend seminars and training opportunities on governance.

The trustees are constantly looking for professional persons to join the Board particularly with knowledge and expertise in Health and Social care, Human Resources and Fund Raising.

Risk management

The Management Committee has conducted a review of the major risks to which the charity is exposed. A risk system has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07629043 (England and Wales)

Registered Charity number

1142610

Registered office

269a Preston Road
Harrow
Middlesex
HA3 0PS

Trustees

Mr P Muralikrisnan
Professor R Narayanasamy
Mrs T Selvendran
Ms C Selvendran

Auditors

BBK Partnership
Chartered Accountants
& Statutory Auditors
1 Beauchamp Court
10 Victors Way
Barnet
Hertfordshire
EN5 5TZ

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees (who are also the directors of Om Saravanabhava Seva Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Om Saravanabhava Seva Trust

**Report of the Trustees (incorporating strategic and directors reports)
for the Year Ended 31 May 2022**

TRUSTEES' RESPONSIBILITY STATEMENT - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, BBK Partnership, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 23/08/2023..... and signed on the board's behalf by:


.....
Mrs T Selvendran - Trustee

Report of the Independent Auditors to the Members of Om Saravanabhava Seva Trust

Opinion

We have audited the financial statements of Om Saravanabhava Seva Trust (the 'charitable company') for the year ended 31 May 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Emphasis of matter

We draw attention to Note 19 in the financial statements, which describes the effect of a fire in the charity's community centre. Our opinion is not modified in respect of this matter.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Om Saravanabhava Seva Trust

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks applicable to the charitable company and the sector in which it operates.

We obtained an understanding of how the charitable company is complying with those legal and regulatory frameworks by making enquires to management. We corroborated these enquires through, where applicable, our review of trustees' minutes.

We assessed the susceptibility of the charitable company's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:

- identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- understanding how those charged with governance considered and addressed the potential for override of control or other inappropriate influences over the financial reporting process;
- challenging assumptions and judgements made by the management in its significant accounting estimates;
- identifying and testing journal entries, in particular any unusual journal entries; and
- assessing the extent of compliance with relevant laws and regulations.

We did not identify any key audit matters relating to irregularities, including fraud.

**Report of the Independent Auditors to the Members of
Om Saravanabhava Seva Trust**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Suraj Shah BFP ACA FCCA (Senior Statutory Auditor)
for and on behalf of BBK Partnership
Chartered Accountants
& Statutory Auditors
1 Beauchamp Court
10 Victors Way
Barnet
Hertfordshire
EN5 5TZ

Date: 23 August 2023

Om Saravanabhava Seva Trust

**Statement of Financial Activities
for the Year Ended 31 May 2022**

		31.5.22 Unrestricted fund £	31.5.21 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	1,159,872	973,780
Other trading activities	3	92,834	77,140
Investment income	4	88	23
Total		<u>1,252,794</u>	<u>1,050,943</u>
 EXPENDITURE ON			
Raising funds	5	36,364	34,672
Charitable activities	6		
Projects (India)		287,966	-
Barnet Community Centre Project		331,574	144,362
Elderly Home Project (India)		-	48,350
Projects (Sri Lanka)		33,708	2,050
Covid - 19 relief		-	374,160
Centre Overhead Expenditure		53,791	9,434
Charitable Activities (UK)		14,348	16,715
Building Maintenance & Running Cost		87,517	33,408
Finance Charges		2,256	936
Legal and professional cost		1,240	2,115
Motor and travel costs		27,627	15,985
Total		<u>876,391</u>	<u>682,187</u>
 NET INCOME		 376,403	 368,756
 RECONCILIATION OF FUNDS			
Total funds brought forward		454,016	85,260
 TOTAL FUNDS CARRIED FORWARD		 <u>830,419</u>	 <u>454,016</u>

The notes form part of these financial statements

Om Saravanabhava Seva Trust

**Statement of Financial Position
31 May 2022**

		31.5.22 Unrestricted fund £	31.5.21 Total funds £
FIXED ASSETS	Notes		
Tangible assets	12	7,211	9,014
CURRENT ASSETS			
Stocks	13	3,120	3,120
Cash at bank and in hand		<u>871,383</u>	<u>494,882</u>
		874,503	498,002
CREDITORS			
Amounts falling due within one year	14	(10,801)	(3,000)
NET CURRENT ASSETS		<u>863,702</u>	<u>495,002</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		870,913	504,016
CREDITORS			
Amounts falling due after more than one year	15	(40,494)	(50,000)
NET ASSETS		<u>830,419</u>	<u>454,016</u>
FUNDS	17		
Unrestricted funds:			
General fund		<u>830,419</u>	<u>454,016</u>
TOTAL FUNDS		<u>830,419</u>	<u>454,016</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23/08/2023 and were signed on its behalf by:


Mrs T Selvendran - Trustee

The notes form part of these financial statements

Om Saravanabhava Seva Trust

**Statement of Cash Flows
for the Year Ended 31 May 2022**

	Notes	31.5.22 £	31.5.21 £
Cash flows from operating activities			
Cash generated from operations	1	387,062	360,786
Interest paid		<u>(1,143)</u>	<u>-</u>
Net cash provided by operating activities		<u>385,919</u>	<u>360,786</u>
Cash flows from investing activities			
Interest received		<u>88</u>	<u>23</u>
Net cash provided by investing activities		<u>88</u>	<u>23</u>
Cash flows from financing activities			
Loan repayments in year		<u>(9,506)</u>	<u>-</u>
Net cash (used in)/provided by financing activities		<u>(9,506)</u>	<u>-</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		376,501	360,809
Cash and cash equivalents at the beginning of the reporting period		<u>494,882</u>	<u>134,073</u>
Cash and cash equivalents at the end of the reporting period		<u><u>871,383</u></u>	<u><u>494,882</u></u>

The notes form part of these financial statements

Om Saravanabhava Seva Trust

**Notes to the Statement of Cash Flows
for the Year Ended 31 May 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.5.22	31.5.21
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	376,403	368,756
Adjustments for:		
Depreciation charges	1,803	2,253
Interest received	(88)	(23)
Interest paid	1,143	-
Increase/(decrease) in creditors	<u>7,801</u>	<u>(10,200)</u>
Net cash provided by operations	<u><u>387,062</u></u>	<u><u>360,786</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/6/21	Cash flow	At 31/5/22
	£	£	£
Net cash			
Cash at bank and in hand	<u>494,882</u>	<u>376,501</u>	<u>871,383</u>
	<u>494,882</u>	<u>376,501</u>	<u>871,383</u>
Debt			
Debts falling due after 1 year	<u>(50,000)</u>	<u>9,506</u>	<u>(40,494)</u>
	<u>(50,000)</u>	<u>9,506</u>	<u>(40,494)</u>
Total	<u><u>444,882</u></u>	<u><u>386,007</u></u>	<u><u>830,889</u></u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

Om Saravanabhava Seva Trust is a private company limited by guarantee in England. The address of the registered office is detailed as part of the report to the trustees of these financial statements. The nature of the charity's operations and principal activities are the advancement of education in culture and art.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the SORP. Further detail is given in the Trustees' Annual Report.

Where practicable, gifts in kind donated for distribution to the beneficiaries of the charity are included in stock and donations in the financial statements upon receipt. If it is impracticable to assess the fair value at receipt or if the costs to undertake such a valuation outweigh any benefits, then the fair value is recognised as a component of donations when it is distributed and an equivalent amount recognised as charitable expenditure.

Gifts in kind donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Fixed asset gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

1. ACCOUNTING POLICIES - continued

Income

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads have been allocated on an accruals basis and other overheads have been allocated on an accruals basis.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 8.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Motor vehicles - 20% reducing balance

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2022**

1. ACCOUNTING POLICIES - continued

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition.

Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Donated stocks are fair valued as described above.

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Om Saravanabhava Seva Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2022**

1. ACCOUNTING POLICIES - continued

Significant judgements and estimates

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of the assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2. DONATIONS AND LEGACIES

	31.5.22	31.5.21
	£	£
Gifts	3	-
Donations	1,152,718	955,190
Money Box Collection	7,151	8,590
Grants	<u>-</u>	<u>10,000</u>
	<u>1,159,872</u>	<u>973,780</u>

Grants received, included in the above, are as follows:

	31.5.22	31.5.21
	£	£
Other grants	<u>-</u>	<u>10,000</u>

3. OTHER TRADING ACTIVITIES

	31.5.22	31.5.21
	£	£
Just giving charitable project	<u>92,834</u>	<u>77,140</u>

4. INVESTMENT INCOME

	31.5.22	31.5.21
	£	£
Bank Interest Received	<u>88</u>	<u>23</u>

Om Saravanabhava Seva Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2022**

5. RAISING FUNDS

Raising donations and legacies

	31.5.22	31.5.21
	£	£
Donation and Gift	<u>36,364</u>	<u>34,672</u>

6. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Projects (India)	287,966	-	287,966
Barnet Community Centre Project	331,574	-	331,574
Projects (Sri Lanka)	33,708	-	33,708
Centre Overhead Expenditure	-	53,791	53,791
Charitable Activities (UK)	14,348	-	14,348
Building Maintenance & Running Cost	-	87,517	87,517
Finance Charges	-	2,256	2,256
Legal and professional cost	-	1,240	1,240
Motor and travel costs	-	27,627	27,627
	<u>667,596</u>	<u>172,431</u>	<u>840,027</u>

7. GRANTS PAYABLE

	31.5.22	31.5.21
	£	£
Projects (India)	287,966	-
Barnet Community Centre Project	331,574	144,362
Elderly Home Project (India)	-	48,350
Projects (Sri Lanka)	33,708	2,050
Covid - 19 relief	-	374,160
Charitable Activities (UK)	<u>14,348</u>	<u>16,715</u>
	<u>667,596</u>	<u>585,637</u>

Om Saravanabhava Seva Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2022**

8. SUPPORT COSTS

	Management £	Finance £	Other £	Governance costs £	Totals £
Centre Overhead Expenditure	52,618	-	(7,227)	8,400	53,791
Building Maintenance & Running Cost	61,035	-	26,482	-	87,517
Finance Charges	-	2,256	-	-	2,256
Legal and professional cost	-	-	1,240	-	1,240
Motor and travel costs	-	-	27,627	-	27,627
	<u>113,653</u>	<u>2,256</u>	<u>48,122</u>	<u>8,400</u>	<u>172,431</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.5.22 £	31.5.21 £
Auditors' remuneration	8,400	-
Depreciation - owned assets	<u>1,803</u>	<u>2,253</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 May 2022 nor for the year ended 31 May 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 May 2022 nor for the year ended 31 May 2021.

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	973,780
Other trading activities	77,140
Investment income	<u>23</u>
Total	<u>1,050,943</u>
EXPENDITURE ON	
Raising funds	34,672
Charitable activities	
Barnet Community Centre Project	144,362
Elderly Home Project (India)	48,350
Projects (Sri Lanka)	2,050
Covid - 19 relief	374,160
Centre Overhead Expenditure	<u>9,434</u>

Om Saravanabhava Seva Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2022**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £
Charitable Activities (UK)	16,715
Building Maintenance & Running Cost	33,408
Finance Charges	936
Legal and professional cost	2,115
Motor and travel costs	<u>15,985</u>
Total	<u>682,187</u>
 NET INCOME	 368,756
 RECONCILIATION OF FUNDS	
Total funds brought forward	85,260
	<u> </u>
TOTAL FUNDS CARRIED FORWARD	<u><u>454,016</u></u>

12. TANGIBLE FIXED ASSETS

	Motor vehicles £
COST	
At 1 June 2021 and 31 May 2022	<u>14,084</u>
 DEPRECIATION	
At 1 June 2021	5,070
Charge for year	<u>1,803</u>
 At 31 May 2022	<u>6,873</u>
 NET BOOK VALUE	
At 31 May 2022	<u><u>7,211</u></u>
 At 31 May 2021	<u><u>9,014</u></u>

Om Saravanabhava Seva Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2022**

13. STOCKS

	31.5.22	31.5.21
	£	£
Stocks	<u>3,120</u>	<u>3,120</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.22	31.5.21
	£	£
Trade creditors	1	-
Accrued expenses	<u>10,800</u>	<u>3,000</u>
	<u>10,801</u>	<u>3,000</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.5.22	31.5.21
	£	£
Bank loans (see note 16)	<u>40,494</u>	<u>50,000</u>

16. LOANS

An analysis of the maturity of loans is given below:

	31.5.22	31.5.21
	£	£
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>40,494</u>	<u>50,000</u>

17. MOVEMENT IN FUNDS

	At 1/6/21	Net movement in funds	At 31/5/22
	£	£	£
Unrestricted funds			
General fund	454,016	376,403	830,419
	<u>454,016</u>	<u>376,403</u>	<u>830,419</u>
TOTAL FUNDS	<u>454,016</u>	<u>376,403</u>	<u>830,419</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,252,794	(876,391)	376,403
	<u>1,252,794</u>	<u>(876,391)</u>	<u>376,403</u>
TOTAL FUNDS	<u>1,252,794</u>	<u>(876,391)</u>	<u>376,403</u>

Om Saravanabhava Seva Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2022**

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/6/20 £	Net movement in funds £	At 31/5/21 £
Unrestricted funds			
General fund	85,260	368,756	454,016
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>85,260</u>	<u>368,756</u>	<u>454,016</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,050,943	(682,187)	368,756
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>1,050,943</u>	<u>(682,187)</u>	<u>368,756</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/6/20 £	Net movement in funds £	At 31/5/22 £
Unrestricted funds			
General fund	85,260	745,159	830,419
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>85,260</u>	<u>745,159</u>	<u>830,419</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,303,737	(1,558,578)	745,159
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>2,303,737</u>	<u>(1,558,578)</u>	<u>745,159</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2022**

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 May 2022.

19. FIRE DAMAGE

During the year, a fire incident occurred resulting in the loss of a significant portion of the Charity's records, including financial documents and records. The loss of records has impacted the availability of primary documentation required for the preparation of the financial statements. However, the Trustees of the Charity have made every effort to reconstruct the financial records using alternative sources and supporting evidence available to them.

In order to mitigate the impact of the loss of records, the Trustees have employed alternative methods to reconstruct the financial statements. These methods have included, but are not limited to, the following:

- Obtaining bank statements and reconciling them to the general ledger.
- Obtaining copies of invoices, receipts, and other supporting documentation from suppliers and donors.
- Conducting interviews and gathering information from relevant staff members to recreate transaction details.
- Engaging with external experts to assist in the reconstruction process.

The loss of records and the subsequent reconstruction process have introduced a level of uncertainty in the underlying information presented in the financial statements. It is important to note that the reconstructed financial statements were based on actual results and did not rely on the best estimates and judgments made by the Trustees based on the available information. While the Trustees have taken reasonable steps to ensure the accuracy and completeness of the reconstructed records, there may be inherent limitations due to the circumstances surrounding the fire incident.

Om Saravanabhava Seva Trust
Detailed Statement of Financial Activities
for the Year Ended 31 May 2022

	31.5.22 £	31.5.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	3	-
Donations	1,152,718	955,190
Money Box Collection	7,151	8,590
Grants	<u>-</u>	<u>10,000</u>
	1,159,872	973,780
Other trading activities		
Just giving charitable project	92,834	77,140
Investment income		
Bank Interest Received	<u>88</u>	<u>23</u>
Total incoming resources	1,252,794	1,050,943
EXPENDITURE		
Raising donations and legacies		
Donation and Gift	36,364	34,672
Charitable activities		
Other Premises Cost	-	4,327
Grants to institutions	<u>667,596</u>	<u>585,637</u>
	667,596	589,964
Support costs		
Management		
Rates and water	6,650	1,867
Insurance	716	674
Light and heat	15,685	18,214
Telephone	1,840	1,550
Advertising	36,308	4,957
General Expenses	11,951	475
Rent	38,700	9,000
Motor vehicles	<u>1,803</u>	<u>2,253</u>
	113,653	38,990
Finance		
Bank charges	1,113	461
Bank loan interest	<u>1,143</u>	<u>-</u>
	2,256	461

This page does not form part of the statutory financial statements

Om Saravanabhava Seva Trust

**Detailed Statement of Financial Activities
for the Year Ended 31 May 2022**

	31.5.22 £	31.5.21 £
Finance		
Other		
Repairs & Maintenance	29,298	-
Motor & Travel	15,677	15,985
Computer Cost	1,907	-
Legal and professional cost	<u>1,240</u>	<u>2,115</u>
	48,122	18,100
Governance costs		
Auditors' remuneration	<u>8,400</u>	<u>-</u>
Total resources expended	<u>876,391</u>	<u>682,187</u>
Net income	<u><u>376,403</u></u>	<u><u>368,756</u></u>

This page does not form part of the statutory financial statements