MLINDA FOUNDATION

England & Wales · Charity number 1163028

Details

Status	Registered
Legal form	CIO
Registered	2015-08-06
Register	View on the Charity Commission register

Contact

Address	C/o TC Citroen Wells 3 Dorset Rise Blackfriars London EC4Y 8EN
Phone	07905321627
Email	kworrall@mlinda.org
Website	www.mlinda.org

Activities

Objects: THE OBJECTS OF THE CIO ARE TO PROMOTE FOR THE BENEFIT OF THE PUBLIC THE CONSERVATION, PROTECTION AND IMPROVEMENT OF THE PHYSICAL AND NATURAL ENVIRONMENT IN PARTICULAR BUT NOT EXCLUSIVELY BY:I. EDUCATING THE PUBLIC ABOUT CLIMATE CHANGE AND THE DEPLETION OF NATURAL RESOURCES;II. ENCOURAGING COMPANIES AND INSTITUTIONS TO UNDERTAKE SYSTEMIC CHANGE IN THEIR PRODUCTION PROCESSES; ANDIII. TRANSFORMING INDIVIDUAL BEHAVIOUR AND MODES OF CONSUMPTION.

Activities: Mlinda Foundation's focus is to facilitate development of rural electrification projects using renewable energy in India. Communities in project areas had no access to reliable electricity and opportunities to earn income were limited. Initial results from project areas show household income has increased by over 60% through the use of electric-powered equipment in households and for agriculture.

Classification

- **How:** Makes Grants To Organisations, Provides Other Finance, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- India

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£817,711	£1,073,769	£-853,285	1
2024-03-31	£630,956	£1,158,855	£-1,177,909	25
2023-03-31	£976,718	£1,468,831	£-548,341	33
2022-03-31	£415,158	£1,159,712	-	-
2021-03-31	£629,339	£1,553,040	£627,324	52

Trustees

Name	Role	Appointed
Sally Elizabeth Anne Chandler	Chair	2017-09-18
Liesl Maria Patricia Eisenbeiss		2019-04-09
Richard Azarnia		2019-04-09
Sachitt Chandaria		2021-12-09

MLINDA FOUNDATION

England & Wales - Charity number 1163028

Accounts

Charity registration number 1163028

MLINDA FOUNDATION

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

MLINDA FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	
	Sally Chandler Richard Azarnia Liesl Maria Patricia Eisenbeiss Andrew Giles Pedder Davies Sirv Mahesh Chhibber Sachitt Chandaria
Charity number	1163028
Principal address	5th Floor 3 Dorset Rise London EC4Y 8EN
Independent examiner	Hannah Sibley FCA TC Group 5th Floor 3 Dorset Rise London EC4Y 8EN
Bankers	Marcard, Stein & Co AG Ballindamm 36 20095 Hamburg Germany

MLINDA FOUNDATION

CONTENTS

MLINDA FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing documents, 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 (FRS 102)" (effective 1 January 2019).

The Trustees who served during the year were:

Sally Chandler
Richard Azarnia
Liesl Maria Patricia Eisenbeiss
Andrew Giles Pedder Davies
Sirv Mahesh Chhibber
Sachitt Chandaria

Objectives and activities

More than 734 million people still live in extreme poverty today, struggling to fulfil the most basic needs like health, education, and access to water and sanitation. Over the course of the last generation, economic growth has helped more than a billion people leave the most destitute living conditions behind. But while consumption and production drive the global economy and lift people out of poverty, they deplete the earth’s resources and cause harmful greenhouse gas emissions. They threaten everything we care about: well-being, security, culture, landscape, and financial stability.

Mlinda aims to positively contribute, one village at a time, to the key challenges of our time: inequality and climate change. These challenges are especially relevant for those living in rural poverty, where opportunities for livelihoods are limited and becoming increasingly so due to climate change pressures. Because we believe that renewable energy is a key catalyst for development, Mlinda aims to offer a model for economic growth which provides social and environmental benefits.

In the year under review, Mlinda continued to focus on achieving these objectives through its rural electrification programme implemented in the state of Jharkhand in India. In addition, we have been planning and carrying out activities to scale our model through replication.

Mlinda’s objectives are to promote, for the benefit of the public, conservation, protection and improvement of the physical and natural environment. The Charity aims to educate the public about climate change and depletion of natural resources, to encourage organisations to undertake systemic change in their production processes and to transform individual behaviour and modes of consumption. The focus to date has been on the investment into research and development of a scalable and replicable model of rural electrification using renewable energy in rural India.

There are no restricted or endowment funds at the period end.

Mlinda aims to raise income to support its objects as the Trustees see fit. The Foundation receives grants from other institutions with a view to donating monies received to Mlinda Charitable Trust and investing in Mlinda Sustainable Environment Private Limited, both of which are based in India to deliver the rural electrification and replication programme.

The Trustees have regard to the Charity Commission’s public benefit guidance when making decisions to which the guidance is relevant. During the year under review, the Trustees consider the Foundation met the public benefit requirement through the operation and expansion of its rural electrification programme in the state of Jharkhand, India.

The supply of clean electricity is a catalyst to drive sustainable economic and social benefits. We create long-term improvement in the lives of communities by providing the reliable energy, finance and expertise upon which to build a financially and environmentally sustainable economy.

Our goal is to scale through replication. We will apply commercial franchising methods and concepts to replicate and share proven organisational models for greater social and environmental impact and long-term viability.

Achievements and performance

Significant activities and achievements against objectives

India has halved its poverty rate since the 1990's. Part of this story has been India's unprecedented progress towards universal electricity provision. However, this hides many challenges to access quality and reliable energy for the most marginalised. Most significantly, the national grid is not reliable or appropriate enough for running a business, especially with the type of large machinery that could create employment and meaningfully increase incomes.

Mlinda seeks to increase access to energy to enable India's most marginalised communities to grow sustainable livelihoods, while also reducing CO2 emissions. The rural communities in Jharkhand have average annual household incomes equivalent to less than 700 Euros. Mlinda's village-wide mini-grids provide metered energy which is paid for by households. We offer business advisory support to help villagers to develop their agribusinesses and train local villagers to repair and maintain their energy service network. Renewable energy activities began in 2011 with small solar rooftop systems shared between families in the mangrove areas of the Sunderbans of southern West Bengal. In 2013, Mlinda expanded to northern areas of West Bengal, later moving into Jharkhand in 2015. In 2016 Mlinda began installing village-wide solar powered mini-grids in Jharkhand. Mlinda now has directly installed and commissioned solar powered mini-grids serving 44 villages with a total installed base of 1,037kWp, electrifying over 11,500 households. Our direct beneficiaries include women, children, farmers, entrepreneurs, schools and health centres. Around 46,000 individuals are connected to our electricity.

2024-25 ACTIVITY

In the financial year just ended, we partnered with Development Alternatives and Sustain Plus to pilot replication strategies and successfully commissioned six new mini-grids. We continue to work closely with replicators to guide them in adopting and contextualising Mlinda's approach.

Mlinda's core strategy continues to focus on scaling through replication. Drawing from our experience of electrifying 44 villages and driving extensive community engagement, we have developed a proven model that enhances livelihoods and incomes while promoting environmental sustainability. Our successful implementation of a commercially viable mini-grid business in Jharkhand, —anchored around productive use of energy—demonstrates the potential of this approach.

To scale this impact, we are actively fundraising to support the replication of this model through partner organisations. Our vision is to enable the electrification of 750 villages across India over a 5-year period, with clean energy as a driver of rural economic development. Over the past year, we have made significant strides toward making Mlinda's model "replication-ready." We are developing and refining the necessary tools, protocols, and support systems to ensure effective delivery by replicators.

Our long-term objective is to create a model that is not only scalable but also financially self-sustaining, reducing dependence on grants. We envision a future where replicators and the communities they serve benefit from resilient, self-sustaining local economies, with viable mini-grid enterprises at their core.

We believe that taking a commercial franchising approach will enable Mlinda to scale social impact quickly, but without growing in a hierarchical way, creating distance from the front line. It will devolve power, hence encouraging entrepreneurship. Replicators will have the benefits of a larger organisation, whilst retaining local ownership with its inherent flexibility and adaptability to local circumstances.

By the end of the reporting period, we were providing reliable electricity to over 11,500 households, generating over 670,000 kWh annually. This clean energy access has facilitated the creation of 1,976 micro-enterprises, with a target of 2,500 within 3 years. 81% are connected to the mini-grid.

The economic impact has been transformative—average household income has increased from Rs. 60,000 to Rs. 93,500, with a goal of an 88% increase to Rs. 112,500 over three years. Our model also promotes income diversification, with 57.5% from agriculture and 14.5% from micro-enterprises. Entrepreneurs supported to set up micro-enterprises included 423 women entrepreneurs, 575 tribal entrepreneurs, and 312 young people under 30. There have been 316 new connections to date from the replication pilot sites.

Environmental benefits are equally significant, with an annual reduction of 285 kg of CO_2 emissions per household, and a target of 2,200 MT across 10,000 households. We also promote climate-smart agriculture practices, enhancing food security—95% of households report food stability—and reducing distress migration to just 8%.

Structure, governance and management

Mlinda Foundation CIO is a Charitable Incorporated Organisation in England. The governing document is the Foundation's Constitution dated 17 June 2015. Mlinda is governed by a board of Trustees which has ultimate responsibility for directing strategy and overseeing performance of the Foundation. Trustees are elected for a period of five years and six served during the reporting period.

The Board of Trustees retain oversight via quarterly reports which cover key performance objectives and financial performance and are the basis for decision making. These reports are considered at the regular board meetings which take place quarterly. In addition, informal meetings are held from time to time, if required. The Board are currently receiving monthly updates from the management team on funding and replication progress, so they have closer oversight during this period of fundraising and testing of the replication strategy.

Trustees have been recruited to date because they are known to current board members, have an interest in the Foundation's objectives and have skills, experience, and knowledge that the board needs. Mlinda has developed an induction pack for new Trustees.

Day to day management of Mlinda Foundation CIO (MUK) was delegated to the Finance and Administration Manager, working in collaboration with the Indian Management Team and the Trustees. During the year fundraising support was secured on a consultancy basis from the former lead on Renewable Energy at IKEA Foundation, who is well known in the industry.

The Foundation has a wholly owned subsidiary, Mlinda Sustainable Environment Private Limited ("MPL"). MPL is a Limited company, registered in India, and is responsible for the technical delivery of the Electrification Programme. The subsidiary supplied, installed and operates Mlinda's directly owned mini grids and is responsible for all technical aspects of replication.

The Foundation has invested in the equity of MPL to date to provide working capital and, during the year, paid MPL €185,000 for replication pilot delivery and development of a standardised replication methodology. The Trustees believe that this investment is vital to establish, long term, Mlinda's objective of a scalable and replicable model of rural electrification with the long-term aim of generating unrestricted income for the Foundation to further its objectives.

Mlinda has a partnership with Mlinda Charitable Trust ("MCT"), a charity registered in India. MCT delivers the public benefit outcomes of the Electrification Programme. The Foundation funds MCT's programmes through grant donations against agreed programmes of work.

Two MUK Trustees sit on the board of MPL, together with an independent Indian and UK based Director. MCT has three independent Trustees.

Roles and objectives of key management personnel of the Foundation and subsidiary are defined in conjunction with the strategic objectives of Mlinda and pay and conditions benchmarked against similar roles in the sector and location. Key management personnel are the Finance and Administration Manager and the Directors and Finance and Operations Manager of MPL.

Governance and management across the group will remain under review so they remain relevant to the needs and obligations of the group in the future.

There were no assets held as custodian trustee during the year.

Fundraising practices
Mlinda does not engage in public fundraising. The services of a fundraising consultant were procured in the year to review and advise on approaches to institutional funders and to make the initial approaches to them. However, fundraising efforts have needed to respond to a significantly shifting donor landscape. We are seeing an impact from several external factors:

- Significant reductions in development aid from the US, UK, and others have tightened the funding pool.

- Foundation Repositioning: Major foundations are revising strategies or pausing new commitments. We are seeing a trend of major international foundations moving out of India, mainly due to the messaging that the Indian government prefers Indian philanthropy to solve India's problems. Given that, there is huge potential for CSR funding and grants from India-based sources.

- Competition and Scope: Many new funders have narrower geographic or thematic mandates, requiring tailored approaches and persistent engagement.

The Foundation has adapted to these pressures by remodelling the replication strategy to focus on India with MCT/ MPL central, prioritising fundraising on India sources and cutting UK costs to a minimum. The offer has been sub-divided and reworked on thematic approaches to best meet narrower mandates. These strategies have yielded some promising leads. However, building a fundraising base from scratch takes time and the Foundation is considering several measures, in conjunction with the India team, to keep operations proceeding in the interim period and, should funding not be forthcoming or received at a lower amount, how to preserve and take forward the environmental and social benefits delivered by Mlinda and build on these organically.

Financial review
The Foundation has posted a deficit of €256,058, for the year ending 31 March 2025. This is net of grants of €70,000 paid to MCT and €185,000 paid for services provided by MPL.

The Trustees have reviewed and believe the carrying value of the investment in MPL, is in line with the current valuation of the subsidiary.

Investment policy
Mlinda invests to achieve both a financial return and to directly further its charitable objectives. However, investing also exposes Mlinda to risks which, if not properly managed, can affect not just the charity itself but the public’s trust and confidence in the sector more generally. Because of this, Mlinda’s Trustees follow the guidance of the Charity Commission to ensure that investment decisions are compliant with their duties and have approved an Investment Policy which sets out what Mlinda’s investment objectives are, how investment decisions are made, and investment risk managed. Mlinda’s Investment Policy applies to any subsidiaries of Mlinda.

Major risks
The Foundation’s Trustees have considered the major risks to which the Foundation is exposed and satisfied themselves that systems or procedures are established to manage those risks.

A Risk Register, supported by a Risk Management Policy and Procedure, is intended to ensure risks are proactively managed at strategic, operational and project levels. The Risk Register is an active tool to identify the possible and probable risks the Foundation may face over its working life.Principal risks are currently identified as:

MLINDA FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

· Third-party fundraising to kick-start replication at scale has not been successful to date and strategy has had to be rethought, due to external factors changing the fundraising climate. There is a cash flow risk if fundraising is delayed, and of operations ceasing, if funding the next phase is not successful. We mitigate this risk by regular review of performance against budget, of rolling cash forecasts and timely planning.

· Overseas operations carry inherent risk in that it is more difficult for the Foundation to exercise governance and oversight. There is a greater reliance on reporting and key indicators. We mitigate this risk, in addition to formal reporting against key metrics, regular contact between European and Indian management teams, both remote and face to face (with a visit to India in January 2025 by the Finance and Administration Manager and two Trustees), and we will continue the development of systems and processes to support data collection, management and decision making.

· As the rural electrification project reaches a key milestone and refocuses on replication; success will be impeded if we do not have the skills and systems that are necessary. To mitigate this risk, we see organisational development as integral to the next phase and will plan, fund and deliver key activities focussing on people (leadership & succession planning, training, capacity building) and appropriate systems and processes. A Trustee-led series of workshops supported the team to think about Economic Development approaches in the context of replication during the year.

. The Foundation is fundraising for replication and had budgeted to receive some third-party grants in the year, which did not happen. The project is currently being funded by grants from connected parties (with €217,500 in the year), new loans from connected parties and usage of cash reserves. Of course, uncertainties are inherent in fundraising, but the Foundation monitors progress and cash flow regularly and is considering worst case options should funding look unlikely or received at a lower amount than expected.

Plans for future periods

Fundraising for replication has progressed more slowly than anticipated and it is not certain how successful the focus on India funding will be or how quickly funds will materialise.

The Foundation is putting in place a plan, working with the India entities, to ensure that Mlinda can continue within the funds available in the internal ecosystem, whilst still able to respond to opportunities and meet current grant commitments. This includes some cost cutting and reorganisation in the Mlinda Group which will take place over the last quarter of 2025.

Reserves policy

The reserves policy has been set with the aim of having 3 months operating costs cover. This would enable notice periods commitments to be met, should the Foundation cease to operate and to meet current liabilities.

At the Balance Sheet date this was assessed to be €15,000 and the Foundation had net current liabilities of €853,285. However, this includes a short-term loans from connected parties of €762,500, which will not be called for repayment until the Foundation has sufficient funds in place. The trustees will monitor and keep under review short-term cash needs, as the strategy and funding plan for the next three years is implemented. Grants from connected parties of €217,500 were awarded in the current year and a further €100,000 is budgeted in 2025-6 to ensure core costs are covered, given the uncertainty of timing of any fundraising receipts.

The Foundation has significant long-term liabilities at the balance sheet date. However, the Trustees consider that these be excluded from the free reserves calculation as the loans, under their terms, will not be called for repayment unless the Foundation has sufficient funds in place. The free reserves of the Foundation are €nil (2024: €nil).

Pension Liabilities

The Foundation operates a defined benefit pension scheme with NEST for one employee who is based in the UK.

Funds in deficit

The Foundation has net liabilities of €853,285 at the balance sheet date. However, this includes €2,560,000 of loans from connected parties as the loans, under their terms, will not be called for repayment unless the Foundation has sufficient funds in place.

The Foundation's subsidiary, MPL, posted a deficit of €102,500 in the year. Despite this deficit, MPL had net current assets of €118,574 and total net assets of €1,899,868 at the balance sheet date. The Trustees will monitor and keep under review future performance and funding needs against the rural electrification project long term budget.

Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Foundation will have adequate resources to continue to operate for the foreseeable future.

To fund the Foundation's UK operating costs and project work in India, loans from a connected Trust (the Lorelei Trust) and a connected limited company registered in England (Ironie 19 Limited ('Ironie 19')) were received to meet early costs, with the expectation that these will be repaid from future income streams arising from profits generated in the subsidiary. The trustees remain confident that, with a re-positioning of strategy towards economic development conducive to sustainable growth and the opportunity for MPL to support replication this will in turn enable MPL to reach profitability. MPL is now EBITDA positive.

The loan from Lorelei Trust is not repayable for 5 years. An €800,000 long-term facility with Ironie 19 is not repayable until 2032. Ironie 19 made a further short-term loan in December 2020, of €500,000, with the option to convert the loan to shares in MPL. A further long-term facility with Ironie 19, of €525,000, taken out in 2022 to advance funds to MPL to build a further 6 grids, will be repaid when monies held in a deposit account, by MPL, to secure a loan from the Indian Government to the subsidiary are released. It was later decided not to proceed with the 6 grids and the loan proceeds are being used as working capital. During 2024-25 further long-term loans from Ironie 19, totalling €185,000 were taken out to enable MPL to support replication activities, which were decided as vital to build potential funder confidence that the capabilities were in place to deliver replication and provide evidence, through the pilots, that the model works in this context.

The Lorelei Trust and Ironie 19 have confirmed their support for the foreseeable future.

As with any entity placing reliance on connected entities for financial support, the trustees acknowledge that there can be no certainty that this support will continue, although at the date of approval of these financial statements, there is no reason to believe they will not do so.

Additionally, the Foundation has developed and revised following funder feedback and an assessment by professionals of the external fundraising climate, a fundraising plan for continued operations in Jharkhand and the implementation of the replication strategy.

As with any charity depending on funding from other foundations, the trustees acknowledge that there can be no certainty that applications for funding will be successful or at the anticipated time or amount. The Trustees are implementing a further plan to ensure that operations in India can be delivered during this period.

The Trustees believe it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

The Trustees' report was approved by the Trustees.

Sally Chandler
....
S Chandler
Trustees

Date: 22/1/2026

MLINDA FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF MLINDA FOUNDATION

I report to the Trustees on my examination of the financial statements of Mlinda Foundation (the charity) for the year ended 31 March 2025.

Responsibilities and basis of report
As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity’s financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement - matter of concern identified
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 have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the charitable company's ability to continue as going concern.

At 31 March 2025, the charity had net liabilities of €853,285 and net current liabilities of €955,653. At the time of approving the financial statements, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. In order to fund the Foundation’s UK operating costs and continue the project work in India, loans and grants continue to be received from connected parties. The Foundation has received confirmation from connected parties of their support for the foreseeable future whilst it fundraises or realises its assets to generate liquidity. As with any entity placing reliance on connected entities for financial support, the Trustees acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I confirm that there are 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 financial statements to be reached.

INDEPENDENT EXAMINER'S REPORT (CONTINUED)

TO THE TRUSTEES OF MLINDA FOUNDATION

Use of this report
This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My independent examination work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my independent examination work , for this report, or for the opinions I have formed.

Hannah Sibley

Hannah Sibley FCA
The Institute of Chartered Accountants in England and Wales (ICAEW)

Independent Examiner
TC Group
5th Floor
3 Dorset Rise
London
EC4Y 8EN
22/1/2026
Dated: ....

MLINDA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 €	Unrestricted funds 2024 €
Income from:			
Donations and legacies	**3**	817,711	300,414
Charitable activities	**4**	1,073,769	1,339,698
Net expenditure and movement in funds		(256,058)	(1,039,284)
Reconciliation of funds:			
Fund balances at 1 April 2024		(597,227)	442,057
Fund balances at 31 March 2025		(853,285)	(597,227)

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

MLINDA FOUNDATION

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

		2025		2024	
	Notes	**€**	**€**	**€**	**€**
Fixed assets					
Investments	**10**		1,899,868		2,568,357
Current assets					
Trade and other receivables	**11**	6,006		115,509	
Cash at bank and in hand		30,585		17,813	
		36,591		133,322	
Current liabilities	**12 & 16**	992,244		773,906	
Net current liabilities			(955,653)		(640,584)
Total assets less current liabilities			944,215		1,927,773
Non-current liabilities	**13**		(1,797,500)		(2,525,000)
Net liabilities			(853,285)		(597,227)
The funds of the charity					
Unrestricted funds			(853,285)		(597,227)
			(853,285)		(597,227)

The financial statements were approved by the Trustees on 22/1/2026

Sally Chandler
S Chandler
Trustee

MLINDA FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 €	2025 €	2024 €	2024 €
Cash flows from operating activities					
Cash generated from operations	**20**		12,772		277,115
Investing activities					
Repayment of investment loans and receivables		-		(525,000)	
Net cash used in investing activities			-		(525,000)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			12,772		(247,885)
Cash and cash equivalents at beginning of year			17,813		265,698
Cash and cash equivalents at end of year			30,585		17,813

1 Accounting policies

Charity information

The Mlinda Foundation (‘the Foundation’) is a Charitable Incorporated Organisation registered in England and Wales. The Foundation's registered address is 5th Floor, 3 Dorset Rise, London, EC4Y 8EN. The nature of the Foundation's operations and principal activities are set out in the Trustees' Report.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing documents, the Charities Act 2011, FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the Charities SORP "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 (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The charity has taken advantage of the exemption under section 405 of the Companies Act 2006 and paragraph 9.30 of FRS102 not to prepare consolidated accounts, as the group qualifies as small.

The financial statements are prepared in euros which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At 31 March 2025, the charity had net liabilities of €853,285 and current net liabilities of €955,653. At the time of approving the financial statements, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. In order to fund the Foundation’s UK operating costs and continue the project work in India, loans and grants continue to be received from connected parties. The Foundation has received confirmation from connected parties of their support for the foreseeable future whilst it fundraises or realises its assets to generate liquidity. As with any entity placing reliance on connected entities for financial support, the Trustees acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on the undertakings received the Trustees believe that it continues to remain appropriate to prepare the financial statements on a going concern basis.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1 Accounting policies **(Continued)**

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis. Grants awarded are charged in the period when the offer is conveyed to the recipient, irrespective of the period covered by the grant, such grants being recognised as expenditure. Governance costs comprise all costs involving the public accountability of the Foundation and its compliance with regulation and good practice.

1.6 Non-current investments

Fixed asset investments are mixed motive investments in subsidiaries, recorded at cost less impairment. A subsidiary is an entity controlled by the Foundation. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

At the end of each reporting period investments measured at amortised cost are assessed for objective evidence of impairment. If an investment is impaired the impairment loss is the difference between the carrying amount and the market value of investment. The impairment loss is recognised in the Statement of Financial Activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is recognised to the extent that the revised carrying value does not exceed what the carrying value would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Financial Activities.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

MLINDA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Foreign exchange differences

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation and consolidation are included in the Statement of Financial Activities for the period.

1.12 Concessionary loans

Concessionary loans made to a third party are interest free and are made to advance charitable purposes. Where the loan is repayable on demand within one year, the loan is measured at cost, less impairment.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of 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 estimate is 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.

Valuation of investments
Investments held as non-current assets per note 10 are stated at cost of €4,503,733 less an accumulated impairment of €2,603,865. The investments have been valued on an open value basis as at 31 March 2025 by the Trustees but with reference to previous independent professional valuations undertaken in prior years. Although the Trustees appreciate that valuations of unquoted companies can be subjective, they believe the carrying value of the investment, following the impairments, to be in line with the current valuation of the subsidiary. There is an inevitable degree of judgement involved. The accuracy of any impairment can only be ascertained under a divestment process.

3 Income from donations and legacies

	Unrestricted funds 2025 €	Unrestricted funds 2024 €
Donations and gifts	817,711	300,414

MLINDA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

4 Expenditure on charitable activities

	2025	2024
	€	€
Direct costs		
Staff costs	23,580	150,229
Depreciation and impairment	668,489	801,692
Staff recruitment	-	3,361
Website costs	-	5,068
Travel	4,631	6,452
Office supplies	-	3,302
Bank charges	(23,428)	12,560
Sundry expenses	1,318	1,534
Insurance	3,482	4,016
IT expenses	3,738	9,342
Telecommunications	3,135	-
Memberships	2,099	-
Consultancy fees	185,000	-
	872,044	997,556
Grant funding of activities (see note 5)	70,000	100,000
Share of support and governance costs (see note 6)		
Governance	131,725	242,142
	1,073,769	1,339,698
Analysis by fund		
Unrestricted funds	1,073,769	1,339,698

5 Grants payable

	2025	2025
	€	€
Grants to institutions:	70,000	100,000

6 Support costs allocated to activities

	2025	2024
	€	€
Governance costs	131,725	242,142
Analysed between:		
Administration	131,725	242,142

7 Trustees

During the year, €7,200 (2024: €6,961) was paid to Sally Chandler, a trustee of the Foundation, for legal and professional services rendered. The payments were made in accordance with the Foundation's governing document and the Charities Act 2011.

None of the Trustees (or any person connected with them) received any remuneration or benefits from the Foundation in the year.

8 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	1	2

Employment costs	**2025 €**	**2024 €**
Wages and salaries	23,010	119,139
Social security costs	-	7,671
Other pension costs	570	23,419
	23,580	150,229

Payments to key management personnel during the year totalled €18,986 (2024: €35,599)

There were no employees whose annual remuneration was more than €60,000.

9 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

10 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2024	2,568,357
Impairment	
Impairment losses	668,489
Carrying amount	
At 31 March 2025	1,899,868
At 31 March 2024	2,568,357

MLINDA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

10 Fixed asset investments (Continued)

Other investments comprise:	Notes	2025 €	2024 €
Investments in subsidiaries	19	1,899,868	2,568,357

11 Trade and other receivables

Amounts falling due within one year:	2025 €	2024 €
Prepayments and accrued income	6,006	115,509

12 Current liabilities

	2025 €	2024 €
Other payables	762,500	500,000
Accruals and deferred income	229,744	273,906
	992,244	773,906

13 Non-current liabilities

	2025 €	2024 €
Other payables	1,797,500	2,525,000

Non-current liabilities are made up of loans from related parties as disclosed in note 16.

14 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 €	Incoming resources €	Resources expended €	At 31 March 2025 €
General funds	(597,227)	817,711	(1,073,769)	(853,285)

Previous year:	At 1 April 2023 €	Incoming resources €	Resources expended €	At 31 March 2024 €
General funds	442,057	300,414	(1,339,698)	(597,227)

15 Analysis of net assets between funds

	Unrestricted funds 2025 €
Fund balances at 31 March 2025 are represented by:	
Investments	1,899,868
Current assets/(liabilities)	(955,653)
Long term liabilities	(1,797,500)
	(853,285)

	Unrestricted funds 2024 €
Fund balances at 31 March 2024 are represented by:	
Investments	2,568,357
Current assets/(liabilities)	(640,584)
Long term liabilities	(2,525,000)
	(597,227)

16 Events after the reporting date

After the year end the repayment date of loans made to the Foundation from related parties of €1,025,000 was extended to 2028. These included loans of €762,500 disclosed as current liabilities at 31 March 2025.

17 Related party transactions

i) At the balance sheet date €2,010,000 (2024: €1,875,000) was owed to Ironie 19 Limited, a private limited company registered in the UK, with a director who is a trustee of the Foundation. The loan is interest bearing at a fixed rate of 3%, with interest of €58,228 (2024: €56,250) charged during the year. At the year end the Foundation owed accrued interest of €177,312 (2024: €119,084).

ii) At the balance sheet date €550,000 (2024: €550,000) was owed to The Lorelei Trust, a trust based in Ireland of which the Foundation is a beneficiary, as a loan to help fund the charitable activities of the Foundation. The loan is interest bearing at a rate of 2% above Euribor, with interest of €31,295 (2024: €33,598) charged during the year. At the year end the Foundation owed accrued interest of €8,897 (2024: €23,493).

During the year, the Foundation recognised donations totalling €187,500 (2024: €300,000) from The Lorelei Trust. At the year end, €nil (2024: €111,500) was outstanding.

iii) At the balance sheet date €525,000 (2024: €525,000) was owed to the Foundation by Mlinda Sustainable Environment Private Ltd, a subsidiary of the Foundation. The Trustees do not believe that this loan will be repaid and so has been fully provided for, leaving an asset of €nil (2024: €nil) in the balance sheet. There is no interest charged on the loan.

iv) During the year, the Foundation received donations totalling €30,000 (2024: €nil) from Mlinda Foundation USA, a charity with common Trustees. The grant was used to pay operating expenses. The grant was fully utilised during the year, with no balance remaining at the year end.

v) During the year, the Foundation paid fees for consultancy services totalling €185,000 (2024: €nil) to Mlinda Sustainable Environment Private Ltd, a subsidiary of the entity.

18 Contingent assets

During the year the charity was engaged in a legal dispute with a former employee. Subsequent to the year end, the Indian legal system found in favour of the charity, which was awarded costs of 75,000 Indian Rupees with further amounts expected to follow. The final amount and schedule of payments were not clear at the year end so have been recognised as a contingent asset.

19 Subsidiaries

These financial statements are separate charity financial statements.

Details of the charity's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
Mlinda Sustainable Environment Private Ltd	Ground Floor - Flat No.1, 41 B/5, Gariahat Road. South, Kolkata - 700031, India	Sustainable Development	Ordinary Shares	100.00	

MLINDA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

20	Cash generated from operations	2025	2024
		€	€
	Deficit for the year	(256,058)	(1,039,284)
	Adjustments for:		
	Depreciation and impairment of property, plant and equipment	668,489	801,692
	Movements in working capital:		
	Decrease in trade and other receivables	109,503	414,329
	(Decrease)/increase in trade and other payables	(509,162)	100,378
	Cash generated from operations	12,772	277,115

21 Analysis of changes in net funds

	At 1 April 2024	Cash flows	Acquisitions and disposals	Other non-cash changes	At 31 March 2025
	€	€	€	€	€
Cash at bank and in hand	17,813	12,772	-	-	30,585
Loans falling due within one year	500,000	-	-	262,500	762,500
Loans falling due after more than one year	2,525,000	-	(465,000)	(262,500)	1,797,500
	3,042,813	12,772	(465,000)	-	2,590,585

MLINDA FOUNDATION

England & Wales - Charity number 1163028

Accounts

Charity Registration No. 1163028

MLINDA FOUNDATION CIO

ANNUAL TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

MLINDA FOUNDATION CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sally Chandler Richard Azarnia Liesl Maria Patricia Eisenbeiss Andrew Giles Pedder Davies Sirv Mahesh Chibber Sachitt Chandaria
Charity registration number	1163028
Principal address	5th Floor 3 Dorset Rise London EC4Y 8EN
Auditor	TC Group 5th Floor 3 Dorset Rise London EC4Y 8EN
Bankers	Marcard, Stein & Co AG Ballindamm 36 20095 Hamburg Germany

MLINDA FOUNDATION CIO

CONTENTS

MLINDA FOUNDATION CIO

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their report and financial statements of Mlinda Foundation CIO ("Mlinda" or "the Foundation") for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Foundation'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 (FRS 102) (effective 1 January 2019)".

The Trustees who served during the year were:
Sally Chandler
Richard Azarnia
Liesl Maria Patricia Eisenbeiss
Andrew Giles Pedder Davies
Sirv Mahesh Chhibber
Sachitt Chandaria

WHY WE ARE HERE

More than 734 million people still live in extreme poverty today, struggling to fulfil the most basic needs like health, education, and access to water and sanitation. Over the course of the last generation, economic growth has helped more than a billion people leave the most destitute living conditions behind. But while consumption and production drive the global economy and lift people out of poverty, they deplete the earth's resources and cause harmful greenhouse gas emissions. They threaten everything we care about: well-being, security, culture, landscape, and financial stability.

Mlinda aims to positively contribute, one village at a time, to the key challenges of our time: inequality and climate change. These challenges are especially relevant for those living in rural poverty, where opportunities for livelihoods are limited and becoming increasingly so due to climate change pressures. Because we believe that renewable energy is a key catalyst for development, Mlinda aims to offer a model for economic growth which provides social and environmental benefits.

In the year under review, Mlinda continued to focus on achieving these objectives through its rural electrification programme implemented in the state of Jharkhand in India. In addition, we have been planning and carrying out activities to scale our model through replication.

OBJECTIVES & ACTIVITIES

Mlinda's objectives are to promote, for the benefit of the public, conservation, protection and improvement of the physical and natural environment. The Charity aims to educate the public about climate change and depletion of natural resources, to encourage organisations to undertake systemic change in their production processes and to transform individual behaviour and modes of consumption. The focus to date has been on the investment into research and development of a scalable and replicable model of rural electrification using renewable energy in rural India.

There are no restricted or endowment funds at the period end.

Mlinda aims to raise income to support its objects as the Trustees see fit. The Foundation receives grants from other institutions with a view to donating monies received to Mlinda Charitable Trust and investing in Mlinda Sustainable Environment Private Limited, both of which are based in India to deliver the rural electrification and replication programme.

The Trustees have regard to the Charity Commission's public benefit guidance when making decisions to which the guidance is relevant. During the year under review, the Trustees consider the Foundation met the public benefit requirement through the operation and expansion of its rural electrification programme in the state of Jharkhand, India.

The supply of clean electricity is a catalyst to drive sustainable economic and social benefits. We create long-term improvement in the lives of communities by providing the reliable energy, finance and expertise upon which to build a financially and environmentally sustainable economy.

Our goal is to scale through replication. We will apply commercial franchising methods and concepts to replicate and share proven organisational models for greater social and environmental impact and long-term viability.

ACHIEVEMENTS AND PERFORMANCE

India has halved its poverty rate since the 1990's. Part of this story has been India's unprecedented progress towards universal electricity provision. However, this hides many challenges to access quality and reliable energy for the most marginalised. Most significantly, the national grid is not reliable or appropriate enough for running a business, especially with the type of large machinery that could create employment and meaningfully increase incomes.

Mlinda seeks to increase access to energy to enable India's most marginalised communities to grow sustainable livelihoods, while also reducing CO2 emissions. The rural communities in Jharkhand have average annual household incomes equivalent to less than 700 Euros. Mlinda's village-wide mini-grids provide metered energy which is paid for by households. We offer business advisory support to help villagers to develop their agribusinesses and train local villagers to repair and maintain their energy service network.

Renewable energy activities began in 2011 with small solar rooftop systems shared between families in the mangrove areas of the Sunderbans of southern West Bengal. In 2013, Mlinda expanded to northern areas of West Bengal, later moving into Jharkhand in 2015. In 2016 Mlinda began installing village-wide solar powered mini-grids in Jharkhand. Mlinda now has installed and commissioned solar powered mini-grids serving 45 villages with a total installed base of 1,037kWp, electrifying over 11,500 households. Our direct beneficiaries include women, children, farmers, entrepreneurs, schools and health centres. Around 46,000 individuals are connected to our electricity.

THE MODEL

• People in developing countries have the right to improve their lives and livelihoods through economic development and growth. This process is already happening at great speed.
• Without a significant change from current behaviours, this rapid growth will do irreversible damage to the global environment.
• For development to be environmentally sustainable, it requires a shift from carbon intensive energy production to green energy.
• The shift to sustainable modes of production and consumption is a systemic challenge. Our solutions must also be systemic, offering solutions to the core flaws of the existing system. This requires a response that ranges from the local (access to finance, markets, and skills) to the national and international (funding for capital intensive energy projects).
• This shift requires a response that is also catalytic, triggering and precipitating a change beyond its immediate and direct reach. This means a response that can be replicated at scale by a wide range of actors.
• Sustainable economic growth in developing countries can only happen at scale globally if vast numbers of small, nimble, local private companies step in to play a role. The problem is too big and too urgent for governments, NGO's, or multinationals to address alone.
• Mlinda's model is to mobilise small local mini-grid operators to provide clean energy as a platform to spur economic growth in rural areas of developing countries.
• The mini-grid operators work with businesses to grow the local economy, ensuring improvement to people's lives while at the same time growing the local market for the clean energy they sell.
• This virtuous circle provides a powerful incentive for commercial mini-grid operators to step in to drive sustainable economic growth.

For a robust local economy to experience healthy growth without the ongoing need for outside support, it must have the following attributes:
• Diversity - a range of economic activities that complement each other and that provide opportunities for the whole population
• Resilience - diversity of activities, adequate savings, and access to finance to enable people and businesses to survive economic shocks
• Inclusiveness - active participation by the whole population, regardless of gender or social category
• Sustainability - economic activities that do not damage, but ideally support and enhance the natural environment.

Our goal is to "scale through replication", achieving this through using a commercial franchising approach. We believe we have a model, based on our experience with extensive outreach and the electrification of 45 villages, that can improve incomes and livelihoods while at the same time respecting the planet.

Our strategy is to recruit, teach Mlinda's business model and provide ongoing support to replicators in India to deliver 750 villages, in clusters of up to 6 villages, using clean energy to develop livelihoods over a 5-year period. At the end of this period, we will have a model that is commercially viable for Mlinda, leaves the villages with a sustainable, vibrant local economy powered by clean energy and the replicators with viable mini-grid businesses anchored at the centre of it.

We believe that taking a commercial franchising approach will enable Mlinda to scale social impact quickly, but without growing in a hierarchical way, creating distance from the front line. It will devolve power, hence encouraging entrepreneurship.

Replicators will have the benefits of a larger organisation, whilst retaining local ownership with its inherent flexibility and adaptability to local circumstances.

2023-24 ACTIVITY

With solar mini grids supporting 45 villages, we are delivering reliable electricity to over 11,500 households, generating 670,000 kWh annually. This clean energy access has facilitated the creation of 1,271 micro-enterprises, with a target of 2,500 within 3 years.

The economic impact has been transformative—average household income has increased from Rs. 60,000 to Rs. 93,500, with a goal of an 88% increase to Rs. 112,500 over three years. Our model also promotes income diversification, with 57.5% from agriculture and 14.5% from micro-enterprises. Entrepreneurs supported to set up micro-enterprises included 233 women entrepreneurs, 500 tribal entrepreneurs, and 151 young people under 30.

Environmental benefits are equally significant, with an annual reduction of 285 kg of CO_2 emissions per household, and a target of 2,200 MT across 10,000 households. We also promote climate-smart agriculture practices, enhancing food security—95% of households report food stability—and reducing distress migration to just 8%.

No other model combines this dual approach of stimulating energy demand and building an inclusive, sustainable local economy. By integrating renewable energy with micro-enterprise development, financial inclusion, and market linkages, Mlinda ensures a holistic and lasting impact on the communities we serve.

During the year, we entered into an agreement with two NGO's, Development Alternatives and Sustain Plus, to pilot replication of Mlinda's model in three villages in Jharkhand. These were successfully delivered in the summer of 2024 and a funding for another three villages has been secured.

During the year we finalised our replication strategy and commenced a programme of fundraising for replication. We aim to test and grow replication in India to test and grow replication, building from a geographical area we are familiar with, and as a stepping stone to the vision of a global franchise model.

We are seeing this approach attract interest with funding and partnership opportunities coming in within India.

STRUCTURE GOVERNANCE AND MANAGEMENT

Mlinda Foundation CIO is a Charitable Incorporated Organisation in England. The governing document is the Foundation's Constitution dated 17 June 2015. Mlinda is governed by a board of Trustees which has ultimate responsibility for directing strategy and overseeing performance of the Foundation. Trustees are elected for a period of five years and six served during the reporting period. The Board of Trustees retain oversight via quarterly reports which cover key performance objectives and financial performance and are the basis for decision making. These reports are considered at the regular board meetings which take place quarterly. In addition, informal meetings are held from time to time, if required. The Board are currently receiving monthly updates from the management team on funding and replication progress, so they have closer oversight during this period of fundraising and testing of the replication strategy.

Trustees have been recruited to date because they are known to current board members, have an interest in the Foundation's objectives and have skills, experience, and knowledge that the board needs. Mlinda has developed an induction pack for new Trustees.

Day to day management of Mlinda Foundation CIO (MUK) was delegated to Wayne Myslik, Executive Director. From December 2023, to cut costs in Europe, the post of Executive Director was made redundant. The Finance and Administration Manager is now responsible for the day-to-day operation of the charity, working in close collaboration with the Indian Management Team and the Trustees. We have secured fundraising support on a consultancy basis from the former lead on Renewable Energy at IKEA Foundation, who is well known in the industry. We have also secured interim pro-bono support to steer and help India with the commercial aspects of replication.

The Foundation has a wholly owned subsidiary, Mlinda Sustainable Environment Private Limited ("MPL"). MPL is a Limited company, registered in India, and is responsible for the technical delivery of the Electrification Programme. The subsidiary supplied, installed and operates Mlinda's directly owned mini grids and is responsible for all technical aspects of replication.

The Foundation has invested in the equity of MPL to date to provide working capital. The Trustees believe that this investment is vital to establish, long term, Mlinda's objective of a scalable and replicable model of rural electrification with the long-term aim of generating unrestricted income for the Foundation to further its objectives.

Mlinda has a partnership with Mlinda Charitable Trust ("MCT"), a charity registered in India. MCT delivers the public benefit outcomes of the Electrification Programme. The Foundation funds MCT's programmes through grant donations against agreed programmes of work.

The Boards of Mlinda, MPL, and MCT entered into a Group Agreement in 2021 that outlines their commitment to work together toward a common strategic goal and sets out how decisions will be taken on group-wide issues. By agreement with the boards of MPL and MCT, the MUK Executive Director served as supervisor of the CEO and Management Team of MPL and the General Manager of MCT to December 2023, with the Finance and Administration Manager carrying out that role subsequently with the support of a delegated Trustee. This ensures consistent oversight across the group.

Two MUK Trustees sit on the board of MPL, together with an independent Indian and UK based Director. MCT has three Trustees.

Roles and objectives of key management personnel of the Foundation and subsidiary are defined in conjunction with the strategic objectives of Mlinda and pay and conditions benchmarked against similar roles in the sector and location. Key management personnel are the Executive Director (Finance and Administration Manager from December 2023) and the Directors and CEO of MPL.

Governance and management across the group will remain under review so they remain relevant to the needs and obligations of the group in the future.

There were no assets held as custodian trustee during the year.

FUNDRAISING

Mlinda does not engage in public fundraising.

FINANCIAL REVIEW

The Foundation has prepared consolidated financial statements for the year ended 31 March 2024. The group result is a deficit of €629,568, which includes operating losses of €379,325 in the trading subsidiary (MPL).
The investment in MPL was impaired during the year by €276,692, with reference to previous independent professional valuations undertaken in prior years. The Trustees believe the carrying value of the investment, following the impairment, is in line with the current valuation of the subsidiary.

INVESTMENT POLICY

Mlinda invests to achieve both a financial return and to directly further its charitable objectives. However, investing also exposes Mlinda to risks which, if not properly managed, can affect not just the charity itself but the public's trust and confidence in the sector more generally. Because of this, Mlinda's Trustees follow the guidance of the Charity Commission to ensure that investment decisions are compliant with their duties and have approved an Investment Policy which sets out what Mlinda's investment objectives are, how investment decisions are made, and investment risk managed. Mlinda's Investment Policy applies to any subsidiaries of Mlinda.

PRINCIPAL RISKS & UNCERTAINTIES

The Foundation's Trustees have considered the major risks to which the Foundation is exposed and satisfied themselves that systems or procedures are established to manage those risks.

A Risk Register, supported by a Risk Management Policy and Procedure, is intended to ensure risks are proactively managed at strategic, operational and project levels. The Risk Register is an active tool to identify the possible and probable risks the Foundation may face over its working life.
Principal risks are currently identified as:

- We are currently experiencing high inflation and price volatility that brings the risk that our cost projections in budgets will prove inadequate, contributing to the risk of cash flow problems.
- Third-party fundraising to kick-start replication at scale has not been successful to date. There is a cash flow risk if fundraising is delayed, and of operations ceasing, if funding the next phase is not successful. We mitigate this risk by regular review of performance against budget, of rolling cash forecasts and timely planning, next-stage project design and conversations with existing funders for the next phase.
- Overseas operations carry inherent risk in that it is more difficult for the Foundation to exercise governance and oversight. There is a greater reliance on reporting and key indicators. We mitigate this risk, in addition to formal reporting against key metrics, regular contact between European and Indian management teams, both remote and face to face, and we will continue the development of systems and processes to support data collection, management and decision making.
- As the rural electrification project reaches a key milestone and refocuses on replication; success will be impeded if we do not have the skills and systems that are necessary. To mitigate this risk, we see organisational development as integral to the next phase and will plan, fund and deliver key activities focussing on people (leadership & succession planning, training, capacity building) and appropriate systems and processes.

The Foundation is fundraising for replication and had budgeted to receive some third-party grants in the year, which did not happen. The project is currently being funded by grants from connected parties (with €300,000 recognised in the year), the IREDA loan and usage of cash reserves. Of course, uncertainties are inherent in fundraising, but we will continue to monitor cash and can alter or delay activities until funding is secured. In the summer of 2023, the Trustees reviewed progress, developed and implemented a 12-month plan for the Foundation to (i) reduce costs, (ii) revive and expand fundraising efforts and (iii) launch replication. Connected party grants have been approved to support the Foundation based on this plan.

In the summer of 2022, the CEO of MPL was dismissed. He subsequently brought a legal case against MPL to challenge this and MPL's claim to recover an immaterial amount of money that he had paid to himself, following his dismissal, without authorisation. MPL's accounts include a contingent liability in relation to this case. However, the former CEO's claim was dismissed in the autumn of 2023. A criminal case is ongoing to recover the misappropriated funds. A review of MPL's internal controls following this incident, identified no major weaknesses that could have prevented the incident but some internal training to took place to build the confidence of staff to challenge and report if they feel that procedures are not being followed. The contingent liability is held until the conclusion of all legal proceedings.

OUTLOOK FOR 2024-25

Fundraising for replication has progressed more slowly than anticipated. Given this, the trustees made the post of Executive Director redundant with effect from December 2023. This enables cost savings and ensures the Foundation can keep costs within committed grant levels whilst fundraising continues and the pilot projects in India continue.

In 2024-25, we will continue to develop our partnerships with potential replicators and deliver the two pilots. We will use the learning from these to continue to improve the model. Mlinda will provide these operators with training in the model, especially in the economic development strategies that are so central to foundation's mission as well as the long-term viability of the local electricity markets.

RESERVES

The reserves policy has been set with the aim of having 3 months operating costs cover for each entity. This would enable notice periods commitments to be met, should Mlinda cease to operate and to meet current liabilities. The minimum level of reserves will be kept under review as the Foundation grows and operations develop.

At the Balance Sheet date this was assessed to be €75,000 and the foundation had net current liabilities of €597,227. However, this includes a short-term loan from a connected party of €500,000, which will not be called for repayment until the foundation has sufficient funds in place. The trustees will monitor and keep under review short-term cash needs, as the strategy and funding plan for the next three years is implemented. A grant from a connected party of €300,000 was awarded in the current year and a further €231,500 in 2024-25 to ensure core costs are covered, given the uncertainty of timing of any fundraising receipts.

The Foundation has significant long-term liabilities at the balance sheet date. However, the Trustees consider that these be excluded from the free reserves calculation as the loans, under their terms, will not be called for repayment unless the Foundation has sufficient funds in place.

The Foundation is cognisant of the funding needs of its subsidiary and the grant commitment to Mlinda Charitable Trust for the current project and will ensure that they have sufficient resources for 3 months operating cost cover, to enable them to put alternative funding arrangements in place should the foundation cease to operate. Based on the 2024-25 budgets for each entity, these are €3,212 and €37,532 respectively. At the balance sheet date free cash balances for each entity were €318 and €39,861.

Mlinda Charitable Trust has secured a 3-year grant from Oak Foundation and a one-year grant the Vista Hermosa Foundation in 2023 and is seeing interest in their work from several Indian CSR and Charitable Foundations. The Foundation awarded a grant of €100,000 to Mlinda Charitable Trust in 2023-24 and has approved a grant of €40,000 in the financial year 2024-25.

PENSION LIABILITIES

The Foundation operates a defined benefit pension scheme with NEST for two employees who are based in the UK.

FUNDS IN DEFICIT

The Foundation's subsidiary, MPL, posted a deficit of €290,307 in the year. Despite this deficit, MPL had net current assets of €231,254 and total net assets of €2,017,074 at the balance sheet date. The Trustees will monitor and keep under review future performance and funding needs against the rural electrification project long term budget.

GOING CONCERN

At the time of approving the financial statements, the Trustees have a reasonable expectation that the foundation will have adequate resources to continue to operate for the foreseeable future.

To fund the Foundation's UK operating costs and project work in India, loans from a connected Trust (the Lorelei Trust) and a connected limited company registered in England (Ironie 19 Limited ('Ironie 19')) were received to meet early costs, with the expectation that these will be repaid from future income streams arising from profits generated in the subsidiary. The trustees remain confident that, with a re-positioning of strategy towards economic development conducive to sustainable growth and the opportunity for MPL to support replication this will in turn enable MPL to reach profitability. MPL is now EBITDA positive.

The loan from Lorelei Trust is not repayable for 6 years. An €800,000 long-term facility with Ironie 19 is not repayable until 2032. Ironie 19 made a further short-term loan in December 2020, of €500,000, with the option to convert the loan to shares in MPL. A further long-term facility with Ironie 19, of €525,000, taken out in 2022 to advance funds to MPL to build a further 6 grids, will be repaid when monies held in a deposit account, by MPL, to secure a loan from the Indian Government to the subsidiary are released. It was later decided not to proceed with the 6 grids and the loan proceeds are being used as working capital.

The Lorelei Trust and Ironie 19 have confirmed their support for the foreseeable future.

As with any entity placing reliance on connected entities for financial support, the trustees acknowledge that there can be no certainty that this support will continue, although at the date of approval of these audited financial statements, there is no reason to believe they will not do so.

Additionally, the Foundation has developed a fundraising plan for the continued operations in Jharkhand and the implementation of the replication strategy. Several of the funders targeted in the plan are past funders of Mlinda who have already, in principle, expressed interest in future funding. Other funders in the plan are strongly committed to funding access to energy projects like Mlinda. Conversations have been ongoing throughout 2024. However, due to internal strategy review, funders are unlikely to be in a position to consider an application before mid-2025.

As with any charity depending on funding from other foundations, the trustees acknowledge that there can be no certainty that applications for funding will be successful or at the anticipated time. The Trustees implemented a 12-month plan and brought in experts to support fundraising and the roll-out of replication.

Given these actions, the potential pilots and the range of potential funders with whom Mlinda has ongoing relationships, and the continuing support of connected parties the Trustees believe it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

TRUE AND FAIR OVERRIDE

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from1 April 2005 which has since been withdrawn.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources and application of resources of the Foundation for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities 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 Foundation will continue in operation.

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

Auditor

TC Group, Statutory Auditors were appointed as auditor to the Foundation and a resolution proposing that they be reappointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' Report was approved by the Board of Trustees on 27/1/2025 …………………..

Sally Chandler

Sally Chandler – Trustee

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF MLINDA FOUNDATION CIO

Opinion
We have audited the financial statements of Mlinda Foundation CIO ('The Foundation') and its subsidiary (the 'Group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Financial Activities, the Group and Foundation Balance Sheets 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and The Foundation's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis 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 Auditor's responsibilities for the audit of the financial statement section of our report. We are independent of the Group and The Foundation 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.

Emphasis of Matter
We draw attention to note 1.2 of the financial statements, which describes the pledges of financial support the Trustees have received for the foreseeable future from connected parties allowing the Trustees to prepare the financial statements on a going concern basis. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or The Foundation's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Trustees
As explained more fully in the Statement of Trustees' Responsibilities, as set out on page 7, the Trustees' 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 Group'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 or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework being 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 (FRS102), the CIO's constitution, the Charities Act 2011, The Indian Foreign Contribution (Regulation) Act, 2010 and the relevant direct and indirect tax compliance regulation in the United Kingdom and India.

- We understood how the Group is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance and local management in the jurisdictions in which the Group operates. We corroborated our understanding by reviewing supporting documentation including trustee meeting minutes.

- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating revenue recognition as a fraud risk. We performed journal entry testing by specific risk criteria, with a focus on journals indicating large or unusual transactions based on our understanding of the business. We tested completeness of income through substantive tests performed and cut off tests on the revenue recognised.

- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expenses and review of trustee meeting minutes.

- The Foundation is a regulated entity under the supervision of the Charities Commission. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

Use of our report
This report is made solely to the 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 Trustees' 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 Foundation and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

TC Group

Accountants
Statutory Auditor

28/1/2025

5th Floor
3 Dorset Rise
London
EC4Y 8EN

TC Group is eligible for appointment as auditor of the Foundation by virtue of its eligibility for appointment as auditor under section 1212 of the Companies Act 2006.

MLINDA FOUNDATION CIO

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds €	Restricted funds €	Total 31 March 2024 €	Total 31 March 2023 €
Income from:					
Donations	**3**	300,414	-	300,414	575,423
Income from other trading activities:					
Commercial trading operations	**4**	330,542	-	330,542	401,295
Total income		630,956	-	630,956	976,718
Expenditure on: *Raising funds:*					
Commercial trading operations	**4**	709,867	-	709,867	838,914
Charitable activities	**5**	538,006	-	538,006	629,917
Total expenditure		1,247,873	-	1,247,873	1,468,831
Net (expenditure) for the period		(616,917)	-	(616,917)	(492,113)
Other losses	**10**	(12,651)	-	(12,651)	(22,912)
Net movement in funds		(629,568)	-	(629,568)	(515,025)
Reconciliation of funds:					
Total funds brought forward		(548,341)	-	(548,341)	(33,316)
Total funds carried forward		(1,177,909)	-	(1,177,909)	(548,341)

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

MLINDA FOUNDATION CIO

BALANCE SHEETS
AS AT 31 MARCH 2024

	Notes	Group 31 March 2024 €	Group 31 March 2023 €	Foundation 31 March 2024 €	Foundation 31 March 2023 €
Fixed assets					
Tangible assets	**11**	1,895,699	2,036,276	-	-
Investments	**12**	-	-	2,568,357	2,845,049
Capital work in progress		5,834	23,795	-	-
Long term loans and advances		5,724	4,895	-	-
Other non-current assets		916,418	641,028	-	-
		2,823,675	2,705,994	2,568,357	2,845,049
Current assets					
Inventories		1,433	1,960	-	-
Trade and other receivables	**13**	162,692	65,768	115,509	529,838
Cash at bank and in hand		181,144	1,086,444	17,813	265,698
Investments		-	16,067	-	-
		345,269	1,170,239	133,322	795,536
Current liabilities	**14**	(953,906)	(873,629)	(773,906)	(673,528)
Net current assets/(liabilities)		(608,637)	296,610	(640,584)	122,008
Total assets less net current assets/(liabilities)		2,215,038	3,002,604	1,927,773	2,967,057
Non-current liabilities	**15**	(3,384,334)	(3,542,184)	(2,525,000)	(2,525,000)
Provisions for liabilities		(8,613)	(8,761)	-	-
Net (liabilities)/assets		(1,177,909)	(548,341)	(597,227)	442,057

MLINDA FOUNDATION CIO

BALANCE SHEETS (Continued)
AS AT 31 MARCH 2024

	Notes	Group 31 March 2024 €	Group 31 March 2023 €	Foundation 31 March 2024 €	Foundation 31 March 2023 €
The funds of the Foundation					
Restricted funds		-	-	-	-
Unrestricted income funds	**17**	(1,177,909)	(548,341)	(597,227)	442,057
		(1,177,909)	(548,341)	(597,227)	442,057

The financial statements were approved by the Trustees on 27/1/2025

Sally Chandler

Sally Chandler - Trustee
Charity registration number: 1163028

MLINDA FOUNDATION CIO

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	31 March 2024 €	€	31 March 2023 €	€
Net cash generated/(absorbed) by operating activities	**22**		(275,712)		16,566
Investing activities					
Purchase of tangible fixed assets		(141,524)		(94,895)	
Disposal of tangible fixed assets		37,028		-	
Increase in fixed deposits and other non-current assets		(275,390)		-	
Increase in long-term loans and advances		(829)		-	
Sale of investments		18,738		11,201	
			(361,977)		(83,694)
Financing activities					
Loan borrowings		(160,670)		64,290	
Loan interest		(106,941)		(133,543)	
			(267,611)		(69,253)
Change in cash and cash equivalents in the period			(905,300)		(136,381)
Cash and cash equivalents brought forward			1,086,444		1,222,825
Cash and cash equivalents carried forward			181,144		1,086,444

1. Accounting policies

The Mlinda Foundation ('the Foundation') is a Charitable Incorporated Organisation registered in England and Wales. The Foundation's registered address is 5th Floor, 3 Dorset Rise, London, EC4Y 8EN. The nature of the Foundation's operations and principal activities are set out in the Trustees' Report.

The Group consists of the Mlinda Foundation and its wholly owned subsidiary Mlinda Sustainable Environment Private Ltd ("MPL"'). The subsidiary is based and registered in India.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Foundation's governing document, the Charities Act 2011 and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2019)'.

These financial statements consolidate the results of the Foundation and its wholly owned subsidiary, MPL, on a line-by-line basis. Transactions and balances between the Trust and its subsidiary have been eliminated from the consolidated financial statements. The Foundation constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. The financial statements are prepared in euros, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest €.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. In order to fund the Foundation's UK operating costs and continue the project work in India, loans and grants continue to be received from connected parties. The Foundation has received confirmation from connected parties of their support for the foreseeable future whilst it fundraises or realises its assets to generate liquidity. As with any entity placing reliance on connected entities for financial support, the Trustees acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on the undertakings received the Trustees believe that it continues to remain appropriate to prepare the financial statements on a going concern basis.

1. Accounting policies (continued)

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income recognition

Income is recognised when the Group is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Cash donations are recognised on receipt.

Other donations are recognised once the Group has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure recognition

Resources expended are included in the Statement of Financial Activities on an accruals basis. Grants awarded are charged in the period when the offer is conveyed to the recipient, irrespective of the period covered by the grant, such grants being recognised as expenditure. Governance costs comprise all costs involving the public accountability of the Foundation and its compliance with regulation and good practice.

1.6 Investments

<u>Non-current</u>

Fixed asset investments are mixed motive investments in subsidiaries, recorded at cost less impairment. A subsidiary is an entity controlled by the Foundation. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

At the end of each reporting period investments measured at amortised cost are assessed for objective evidence of impairment. If an investment is impaired the impairment loss is the difference between the carrying amount and the market value of investment. The impairment loss is recognised in the Statement of Financial Activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is recognised to the extent that the revised carrying value does not exceed what the carrying value would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Financial Activities.

<u>Current</u>

Investments held as current assets are revalued to market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities when the gain or loss is material.

1.7 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1. Accounting policies (continued)

1.8 Foreign exchange differences

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation and consolidation are included in the Statement of Financial Activities for the period.

1.9 Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Buildings	9.5% reducing balance
Solar system	8.2% reducing balance
Plant and machinery	8.2% reducing balance
Computer equipment	63.16% reducing balance
Office equipment	45.07% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the Statement of Financial Activities.

1.10 Other non-current assets

Other non-current assets are term deposits pledged against loans and therefore not freely available for the use of the group.

1.11 Inventories

Inventories are held at the lower of stock and net realisable value.

1.12 Cash at bank and in hand

Cash at bank and in hand represents cash held for working capital purposes and in interest free bank current accounts.

1.13 Concessionary loans

Concessionary loans made to a third party are interest free and are made to advance charitable purposes. Where the loan is repayable on demand within one year, the loan is measured at cost, less impairment.

1.14 Financial instruments

The Foundation has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Foundation’s balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1. Accounting policies (continued)

1.14 Financial instruments (continued)

Basic financial liabilities
Basic financial liabilities, including trade and other payables and loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the Foundation‘s contractual obligations expire or are discharged or cancelled.

1.15 Provisions
Under Indian law it is mandatory for the employee who has completed a minimum of five years in service to receive a gratuity, therefore the provision in the accounts represents this liability.

2. Critical accounting estimates and judgements
In the application of the Foundation’s accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of 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 estimate is 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.

Valuation of investments
Investments held as non-current assets per note 12 are stated at cost of €4,503,733 less an accumulated impairment of €1,935,376. The investments have been valued on an open value basis as at 31 March 2024 by the Trustees but with reference to previous independent professional valuations undertaken in prior years. Although the Trustees appreciate that valuations of unquoted companies can be subjective, they believe the carrying value of the investment, following the impairments, to be in line with the current valuation of the subsidiary.

3. Donations	**Income from other activities**	**Restricted funds**	**31 March 2024**	**31 March 2023**
	€	**€**	**€**	**€**
Mlinda USA	-	-	-	300,000
The Lorelei Trust	300,000	-	300,000	300,000
IKEA	-	-	-	(24,820)
Others	414	-	414	243
	300,414	-	300,414	575,423

4. Income from other activities

The wholly owned trading subsidiary, Mlinda Sustainable Environment Private Ltd is incorporated in India.

A summary of the financial performance of this subsidiary alone is set out below:

	31 March 2024	**31 March 2023**
	€	**€**
Turnover	330,542	401,295
Administration expenses	(709,867)	(838,914)
Net loss before tax	(379,325)	(437,619)
Taxation*	89,018	111,178
Net loss after tax retained in the subsidiary	(290,307)	(326,441)

The assets and liabilities of the subsidiary were:

Fixed assets	3,178,495	3,175,487
Current assets	411,254	899,703
Current liabilities	(180,000)	(196,994)
Provisions and non-current liabilities	(1,392,675)	(1,552,879)
Total net assets	2,017,074	2,325,317
Aggregate share capital and reserves	2,017,074	2,325,317

* *not recognised in the group financial statements*

4. Income from other activities (continued)

Details of the Foundation's subsidiary at 31 March 2024 is as follows:

Name of undertaking	Registered Office	Nature of business	Class of shares held	% Held Direct
Mlinda Sustainable Environment Private Ltd	Ground Floor – Flat No 1, 41 B/5, Gariahat Road South, Kolkata – 700031, India	Sustainable Development	Ordinary shares	100.00

5. Charitable activities

	31 March 2024 €	31 March 2023 €
Wages and related costs	150,229	225,477
Staff recruitment costs	3,361	6,042
Website costs	5,068	-
Travelling expenses	6,452	16,152
Office supplies	3,302	3,732
Bank charges	12,560	15,022
Insurance	4,016	4,096
IT costs	9,342	5,956
General expenses	1,534	1,678
	195,864	278,155
Governance costs (see note 6)	242,142	159,928
Grant funding activities (see note 7)	100,000	191,834
	538,006	629,917

Charitable activities		
Unrestricted funds	538,006	629,917
Restricted funds	-	-
	538,006	629,917

6. Governance costs

	31 March 2024 €	31 March 2023 €
Audit fees	33,806	27,574
Legal and professional fees	118,488	55,433
Loan interest	89,848	76,921
	242,142	159,928

7. Grants

The grant funding of the activities comprised the following:

	31 March 2024 €	31 March 2023 €
Grants to institutions	100,000	191,834

The grants payable in the period were all due to institutional entities.

€100,000 (2023: €191,834) was paid to Mlinda Charitable Trust, a Trust in partnership with the Foundation, and registered in India.

8. Trustees

During the year, €6,961 (2023: €6,921) was paid to Sally Chandler, a trustee of the Foundation, for legal and professional services rendered. The payments were made in accordance with the Foundation's governing document and the Charities Act 2011.

None of the Trustees (or any person connected with them) received any remuneration or benefits from the Foundation in the year.

9. Employees

Number of employees
The average monthly number of employees during the period was 25 (2023: 33).

Employment costs	31 March 2024 €	31 March 2023 €
Wages	260,013	346,452
National insurance	7,671	14,996
Pensions	32,669	62,246
	300,353	423,694

9. Employees (continued)

The number of employees whose annual remuneration was €70,000 or more were:

	31 March 2024 Number	31 March 2023 Number
€70,000 - €80,000	1	-
€120,000 - €130,000	-	1

Payments to key management personnel during the year totalled €112,831 (2023: €171,814).

10. Other losses

	31 March 2024 €	31 March 2023 €
Foreign exchange losses	(12,651)	(22,912)

11. Tangible fixed assets

Group	Plant and machinery €
Cost or valuation	
At 1 April 2023	2,850,654
Additions	141,524
Disposals	(86,420)
At 31 March 2024	**2,905,758**
Depreciation	
At 1 April 2023	814,378
Charge for the period	223,338
Eliminated in respect of disposals	(27,657)
At 31 March 2024	**1,010,059**
Net book value	
At 31 March 2024	**1,895,699**
At 31 March 2023	2,036,276

The Foundation had no tangible fixed assets during the current or comparative periods.

12. Investments

Foundation	Subsidiaries €
Cost or valuation	
At 1 April 2023	2,845,049
Additions	-
Impairment	(276,692)
At 31 March 2024	**2,568,357**
Carrying amount	
At 31 March 2024	**2,568,357**
At 31 March 2023	2,845,049

The Foundation's investment in MPL was impaired by €276,692 in the year. See note 2 for further details.

The group had no fixed asset investments during the current or comparative periods.

13. Trade and other receivables

	Group		Foundation	
	31 March 2024 €	31 March 2023 €	31 March 2024 €	31 March 2023 €
Amount receivable	1,681	1,718	-	-
Short term loans and advances	1,982	28,669	-	-
Prepayments and accrued income	159,029	35,381	115,509	4,838
Concessionary loans receivable	-	-	-	525,000
	162,692	65,768	115,509	529,838

At the year end, the Foundation was owed €525,000 (2023: €525,000) from its subsidiary. This amount was unsecured, interest free and repayable on demand. The amount was fully provided against in the year.

14. Creditors: amounts falling due within one year

	Group		Foundation	
	31 March 2024 €	31 March 2023 €	31 March 2024 €	31 March 2023 €
Borrowings	651,445	652,615	500,000	500,000
Payable for capital expenditure	3,515	1,066	-	-
Accrued expenses	296,019	196,199	273,906	173,528
Statutory dues	1,889	5,328	-	-
Other payables	1,038	18,421	-	-
	953,906	873,629	773,906	673,528

15. Non-current liabilities

	Group		Foundation	
	31 March 2024 €	31 March 2023 €	31 March 2024 €	31 March 2023 €
Borrowings	3,382,684	3,542,184	2,525,000	2,525,000
Payables for capital expenditure	1,650	-	-	-
	3,384,334	3,542,184	2,525,000	2,525,000

Included in borrowings are two term loans from Indian Renewable Energy Development Agency Limited (IREDA), a Government of India Enterprise to Mlinda Sustainable Environment Private Limited:

1) Project No 2402 secured on all movable assets of the project and a charge on surplus revenue generated from the 17 village mini grids installed and commissioned by the company. Borrowings outstanding at the balance sheet date were €20,524 and interest was payable on the loan at a rate of 11.5% per annum and due for repayment by 3 March 2029.

2) Project No 2572 secured on all movable assets of the project, a charge on the Trust and Retention account and a negative lien on the shares of the company. Borrowings outstanding at the balance sheet date were €750,080 and interest was payable on the loan at a rate of 11.5% per annum and due for repayment by 3 March 2029.

   Included in other non-current assets is a €594,508 term deposit held by IREDA which is pledged against the borrowings noted above.

3) The above includes an amount of €238,524 received in relation to Debt Service Reserve Money (DSRM), an incentive in connection with the IREDA bank borrowings of MPL. This amount is included in cash at bank within current assets. The DSRM shall become a grant to MPL to be offset against the final loan repayment obligations if MPL is not in default of its loan conditions for more than 90 days and achieves project operational service delivery requirements as agreed by IREDA.

   The remainder of the borrowings are owed to related parties as disclosed in note 19.

16. Analysis of net (liabilities)/assets between funds

Group	Unrestricted funds €	Restricted funds €	Total €
Fund balances at 31 March 2024 are represented by:			
Fixed assets	2,823,675	-	2,823,675
Current assets	345,269	-	345,269
Creditors: amounts falling due within one year	(953,906)	-	(953,906)
Creditors: amounts falling due in more than one year	(3,384,334)	-	(3,384,334)
Provisions for liabilities	(8,613)	-	(8,613)
	(1,177,909)	-	(1,177,909)

16. Analysis of net (liabilities)/assets between funds (continued)

Foundation	**Unrestricted funds**	**Restricted funds**	**Total**
	€	**€**	**€**
Fund balances at 31 March 2024 are represented by:			
Investments	2,568,357	-	2,568,357
Current assets	133,322	-	133,322
Creditors: amounts falling due within one year	(773,906)	-	(773,906)
Creditors: amounts falling due in more than one year	(2,525,000)	-	(2,525,000)
	(597,227)	-	(597,227)

17. Unrestricted funds

Foundation

	Unrestricted funds
	€
Unrestricted funds brought forward at 1 April 2023	442,057
Impairment	(276,692)
Net expenditure	(237,592)
Impairment of concessionary loan	(525,000)
Unrestricted funds carried forward at 31 March 2024	(597,227)

The Foundation’s investment in MPL was impaired by €276,692 in the year. See note 2 for further details.

The movement in the Group’s unrestricted funds is shown in the consolidated Statement of Financial Activities on page 12.

18. Operating lease commitments

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31 March 2024	**31 March 2023**
	€	**€**
Within one year	10,601	10,686
Between two and five years	30,181	34,118
After five years	67,122	74,647
	107,904	119,451

19. Related party transactions

i) At the balance sheet date €1,875,000 (2023: €1,875,000) was owed to Ironie 19 Limited, a private limited company registered in the UK, with a director who is a trustee of the Foundation. The loan is interest bearing at a fixed rate of 3%, with interest of € 56,250 (2023: €56,250) charged during the year. At the year end the group owed accrued interest of €119,084 (2023: €62,834).

ii) At the balance sheet date €550,000 (2023: €550,000) was owed to The Lorelei Trust, a trust based in Ireland of which the Foundation is a beneficiary, as a loan to help fund the charitable activities of the Foundation. The loan is interest bearing at a rate of 2% above Euribor, with interest of €33,598 (2023: €20,671) charged during the year. At the year end the group owed accrued interest of €23,493 (2023: €5,414).

During the year, the Foundation recognised donations totalling €300,000 (2023: €300,000) from The Lorelei Trust. At the year end, €111,500 (2023: €nil) was outstanding.

iii) During the year, the Foundation received donations totalling €nil (2023: €300,000) from Mlinda USA, a charity with common Trustees.

20. Financial activities of the Foundation

The financial activities shown in the consolidated statement of financial activities include those of the Foundation's wholly owned subsidiary.

A summary of the financial activities undertaken by the Foundation, as an individual undertaking, is as set out below:-

	2024 €	2023 €
Income from donations	300,414	575,423
Expenditure on charitable activities	(538,006)	(629,917)
Total	(237,592)	(54,494)
Impairment of investment	(276,692)	(50,838)
Impairment of concessionary loan	(525,000)	-
Net deficit	**(1,039,284)**	**(105,332)**
Total funds brought forward	442,057	547,389
Total funds carried forward	**(597,227)**	**442,057**
Represented by:		
Unrestricted funds	(597,227)	442,057
Restricted funds	-	-
	(597,227)	**442,057**

21. Contingent liabilities and assets

A claim was made against MPL by a former member of staff in the amount of €268,000. The Directors sought legal advice, which indicated that MPL had a robust defence and that the claimant was not likely to succeed. Accordingly, no provision for the claim was made in the accounts for the year ended 31 March 2024. Subsequent to the year end, the Indian legal system found in favour of MPL. The case was dismissed and costs were awarded to MPL, however, the claimant still has a right to appeal.

The Foundation received grant funding from an Irish Trust during the year against which it provided an indemnity in connection with any retrospective collection of withholding tax payable at 25%, representing a potential liability of €37,500. The Trustees assessed the likelihood of payment as remote because the Foundation has made successful withholding tax reclaims on grant funding from the same source since the year end.

Additionally, the Foundation received grant funding from the same Trust with withholding tax deducted at 25%, representing a contingent asset of €37,500. At the balance sheet date, the probability of recovering the tax was dependent on future events outside the Foundation's control. However, subsequent to the year-end, the full amount of the withholding tax was recovered.

22. Cash generated from operations

	31 March 2024 €	31 March 2023 €
(Deficit) for the period	(629,568)	(515,025)
Adjustments for:		
Depreciation of tangible fixed assets	223,338	219,641
Loan interest	186,684	202,961
Decrease in provision	(148)	(995)
(Profit) on sale of investments	(2,671)	(613)
Loss on disposal of tangible assets	21,735	4,246
Foreign exchange losses on cash equivalents	19,503	11,366
Movements in working capital:		
Increase /(decrease) in capital work in progress	17,961	(23,795)
Increase in stock	527	2,111
(Increase)/decrease in debtors	(116,427)	74,601
Increase in creditors	3,354	42,068
Net generated/(absorbed) by operating activities	(275,712)	16,566

23. Analysis of changes in net debt

	1 April 2023	Cash flows	Other non-cash changes	Foreign exchange movements	31 March 2024
	€	€	€	€	€
Cash	1,086,444	(905,300)	-	-	181,144
Loans falling due within one year	(652,615)	152,615	(151,445)	-	(651,445)
Loans falling due after more than one year	(3,542,184)	-	151,445	8,055	(3,382,684)
Total	**(3,108,355)**	**(752,685)**	**-**	**8,055**	**(3,852,985)**

24. Events after the end of the period

Subsequent to the year-end, the Foundation obtained a loan of €85,000 from Ironie-19. The loan was granted to support the funding of its subsidiary’s working capital requirements. The loan carries an interest rate of 3% per annum and is scheduled for full repayment, including all interest, by 19 July 2029.

The Foundation obtained a further loan of €50,000 from Ironie-19. The loan was granted to support the funding of its subsidiary's external debt of €770,605 as detailed in note 15. The loan carries an interest rate of 3% per annum and is scheduled for full repayment, including all accrued interest, by 12 December 2029.

Accounts

Charity Registration No. 1163028

MLINDA FOUNDATION CIO

ANNUAL TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sally Chandler Richard Azarnia Liesl Maria Patricia Eisenbeiss Andrew Giles Pedder Davies Sirv Mahesh Chibber Sachitt Chandaria
Charity registration number	1163028
Principal address	Devonshire House 1 Devonshire Street London W1W 5DR
Auditor	Citroen Wells Devonshire House 1 Devonshire Street London W1W 5DR
Bankers	Marcard, Stein & Co AG Ballindamm 36 20095 Hamburg Germany

MLINDA FOUNDATION CIO

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MLINDA FOUNDATION CIO

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report and financial statements of Mlinda Foundation CIO ("Mlinda" or "the Foundation") for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Foundation'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 (FRS 102) (effective 1 January 2019)".

The Trustees who served during the year were:

Sally Chandler
Richard Azarnia
Liesl Maria Patricia Eisenbeiss
Andrew Giles Pedder Davies
Sirv Mahesh Chhibber
Sachitt Chandaria

WHY WE ARE HERE
More than 734 million people still live in extreme poverty today, struggling to fulfil the most basic needs like health, education, and access to water and sanitation.

Over the course of the last generation, economic growth has helped more than a billion people leave the most destitute living conditions behind. But while consumption and production drive the global economy and lift people out of poverty, they deplete the earth's resources and cause harmful greenhouse gas emissions. They threaten everything we care about: well-being, security, culture, landscape, and financial stability.

Mlinda works in developing countries to create economic growth while reducing the threat of wasteful production and consumption. We build market-based solutions that are self-sustaining, replicable, and scalable.

In the year under review, Mlinda continued to focus on achieving these objectives through its rural electrification programme implemented in the state of Jharkhand in India.

OBJECTIVES & ACTIVITIES
Mlinda's objectives are to promote, for the benefit of the public, conservation, protection and improvement of the physical and natural environment. In particular the Foundation aims to educate the public about climate change and depletion of natural resources, to encourage organisations to undertake systemic change in their production processes and to transform individual behaviour and modes of consumption. The focus to date has been on the investment into research and development of a scalable and replicable model of rural electrification using renewable energy in rural India. There are no restricted or endowment funds at the period end.

Mlinda aims to raise income to support its objects as the Trustees see fit. The Foundation receives grants from other institutions with a view to donating monies received to Mlinda Charitable Trust and investing in Mlinda Sustainable Environment Private Limited, both of which are based in India to deliver the rural electrification programme.

The Trustees have regard to the Charity Commission's public benefit guidance when making decisions to which the guidance is relevant. During the year under review, the Trustees consider the Foundation met the public benefit requirement through the expansion of its rural electrification programme in the state of Jharkhand, India. The supply of clean electricity is a catalyst to drive sustainable economic and social benefits. We create long-term improvement in the lives of communities by providing the reliable energy, finance and expertise upon which to build a financially and environmentally sustainable economy.

ACHIEVEMENTS AND PERFORMANCE

India has halved its poverty rate since the 1990's. Part of this story has been India's unprecedented progress towards universal electricity provision. However, this hides many challenges to access quality and reliable energy for the most marginalised. Most significantly, the national grid is not reliable or appropriate enough for running a business, especially with the type of large machinery that could create employment and meaningfully increase incomes.

Mlinda seeks to increase access to energy to enable India's most marginalised communities to grow sustainable livelihoods, while also reducing CO2 emissions. The rural communities in Jharkhand have average annual household incomes equivalent to less than 700 Euros.

Mlinda's village-wide mini-grids provide metered energy which is paid for by households. We offer business advisory support to help villagers to develop their agribusinesses and train local villagers to repair and maintain their energy service network.

Renewable energy activities began in 2011 with small solar rooftop systems shared between families in the mangrove areas of the Sunderbans of southern West Bengal. In 2013, Mlinda expanded to northern areas of West Bengal, later moving into Jharkhand in 2015.

In 2016 Mlinda began installing village-wide solar powered mini-grids in Jharkhand. By the end of March 2023, Mlinda had installed and commissioned solar powered mini-grids in 44 villages with a total installed base of 1,037 kWp, electrifying over 9,250 households. Our direct beneficiaries include women, children, farmers, entrepreneurs, schools and health centres. Around 46,000 individuals are connected to our electricity.

THE MODEL

- People in developing countries have the right to improve their lives and livelihoods through economic development and growth. This process is already happening at great speed.
- Without a significant change from current behaviours, this rapid growth will do irreversible damage to the global environment.
- For development to be environmentally sustainable, it requires a shift from carbon intensive energy production to green energy.
- The shift to sustainable modes of production and consumption is a systemic challenge. Our solutions must also be systemic, offering solutions to the core flaws of the existing system. This requires a response that ranges from the local (access to finance, markets, and skills) to the national and international (funding for capital intensive energy projects).
- This shift requires a response that is also catalytic, triggering and precipitating a change beyond its immediate and direct reach. This means a response that can be replicated at scale by a wide range of actors.
- Sustainable economic growth in developing countries can only happen at scale globally if vast numbers of small, nimble, local private companies step in to play a role. The problem is too big and too urgent for governments, NGO's, or multinationals to address alone.
- Mlinda's model is to mobilise small local mini-grid operators to provide clean energy as a platform to spur economic growth in rural areas of developing countries.
- The mini-grid operators work with businesses to grow the local economy, ensuring improvement to people's lives while at the same time growing the local market for the clean energy they sell.
- This virtuous circle provides a powerful incentive for commercial mini-grid operators to step in to drive sustainable economic growth.

For a robust local economy to experience healthy growth without the ongoing need for outside support, it must have the following attributes:

- Diversity - a range of economic activities that complement each other and that provide opportunities for the whole population
- Resilience - diversity of activities, adequate savings, and access to finance to enable people and businesses to survive economic shocks
- Inclusiveness - active participation by the whole population, regardless of gender or social category
- Sustainability - economic activities that do not damage, but ideally support and enhance the natural environment

The effort to build these attributes cuts across all of our economic development activities, forming our most fundamental outcomes. They serve as criteria for selection of the businesses and individuals we will support and the way we support them.

The ultimate goal of this work is to develop a commercially viable model for sustainable development, and then to scale our impact by coordinating a wide range other organisations to replicate the model globally. Our plans for replication centre on a franchising approach, where Mlinda provides franchisees with:

- Internationally coordinated fundraising (grants, debt, and equity) at scale
- Internationally coordinated procurement for capital equipment
- Technical training and standard operating procedures for grid design, build, and operations
- Technical training, programme assistance, and monitoring & evaluation for economic development and community engagement efforts

2022-23 ACTIVITY

By the end of March 2023, Mlinda had installed and commissioned solar powered mini-grids in 44 villages with a total installed base of 1,037 kWp, electrifying over 9,250 households and over 2,400 productive loads. We have achieved an average reduction in greenhouse gas emissions of 285kg per household pa.

During 2022-23, we continued to refine the operational model for the mini-grids, reducing costs and delivering new approaches to increasing revenue, based on Mlinda's re-designed Theory of Change. This Theory of Change aspires to deliver, through its approach to community engagement, energy based economic development which integrates diversity, resilience, inclusion, and sustainability. It comprises three strands:

1. Micro enterprise development, both farm and non-farm based. Micro-enterprises range from commercial poultry and processing of raw materials to shops, welding units and information kiosks.

2. Value chain development of crops which have a competitive price advantage and market, with a particular focus on women collectives for cultivation, procurement, marketing, and sales. We saw, through this, the growth of women as entrepreneurs.

3. Sustainable Agriculture involved promoting the cultivation of drought resistant crops e.g. millet, this aligns with initiatives of the Indian government. In particular, we mobilised farmers to cultivate sweet corn, mustard and turmeric for the first time.

STRUCTURE GOVERNANCE AND MANAGEMENT

Mlinda Foundation CIO is a Charitable Incorporated Organisation in England. The governing document is the Foundation's Constitution dated 17 June 2015. Mlinda is governed by a board of Trustees which has ultimate responsibility for directing strategy and overseeing performance of the Foundation. Trustees are elected for a period of five years and six served during the reporting period. The Board of Trustees retain oversight via quarterly reports which cover key performance objectives and financial performance and are the basis for decision making. These reports are considered at the regular board meetings which take place quarterly. In addition, informal meetings are held from time to time, if required.

Trustees have been recruited to date because they are known to current board members, have an interest in the Foundation's objectives and have skills, experience, and knowledge that the board needs. Mlinda has developed an induction pack for new Trustees.

Day to day management of Mlinda Foundation CIO (MUK) was delegated to Wayne Myslik, Executive Director.

The Foundation has a wholly owned subsidiary, Mlinda Sustainable Environment Private Limited ("MPL"). MPL is a Limited company, registered in India, and is responsible for the technical delivery of the Electrification Programme in rural Jharkhand. The subsidiary sub-contracts the supply, installation and operation of the mini-grids. The Foundation has invested in the equity of MPL to date to provide working capital. The Trustees believe that this investment is vital to establish, long term, Mlinda's objective of a scalable and replicable model of rural electrification with the long-term aim of generating unrestricted income for the Foundation to further its objectives.

Mlinda has a partnership with Mlinda Charitable Trust ("MCT"), a charity registered in India. MCT delivers the public benefit outcomes of the Electrification Programme. The Foundation funds MCT's programmes through grant donations against agreed programmes of work.

The Boards of Mlinda, MPL, and MCT entered into a Group Agreement in 2021 that outlines their commitment to work together toward a common strategic goal and sets out how decisions will be taken on group-wide issues.

By agreement with the boards of MPL and MCT, the MUK Executive Director served as supervisor of the CEO and Management Team of MPL and the General Manager of MCT during the year. This ensures consistent oversight across the group.

Two MUK Trustees sit on the board of MPL, together with an independent Indian Director and the MUK Executive Director. MCT has two Trustees. Since the balance sheet date, a new Indian director for MPL and trustee for MCT have been recruited.

Roles and objectives of key management personnel of the Foundation and subsidiary are defined in conjunction with the strategic objectives of Mlinda and pay and conditions benchmarked against similar roles in the sector and location. Key management personnel are the Executive Director and the Directors and CEO of MPL.

Governance and management across the group will remain under review so they remain relevant to the needs and obligations of the group in the future.

There were no assets held as custodian trustee during the year.

FUNDRAISING

Mlinda does not engage in public fundraising.

FINANCIAL REVIEW

The Foundation has prepared consolidated financial statements for the year ended 31 March 2023. The group result is a deficit of €515,025, which includes operating losses of €437,619 in the trading subsidiary (MPL).

The investment in MPL was impaired during the year by €50,838, with reference to previous independent professional valuations undertaken in prior years. The Trustees believe the carrying value of the investment, following the impairment, is in line with the current valuation of the subsidiary.

INVESTMENT POLICY
Mlinda invests to achieve both a financial return and to directly further its charitable objectives. However, investing also exposes Mlinda to risks which, if not properly managed, can affect not just the charity itself but the public's trust and confidence in the sector more generally. Because of this, Mlinda's Trustees follow the guidance of the Charity Commission to ensure that investment decisions are compliant with their duties and have approved an Investment Policy which sets out what Mlinda's investment objectives are, how investment decisions are made, and investment risk managed. Mlinda's Investment Policy applies to any subsidiaries of Mlinda.

PRINCIPAL RISKS & UNCERTAINTIES
The Foundation's Trustees have considered the major risks to which the Foundation is exposed and satisfied themselves that systems or procedures are established to manage those risks.

A Risk Register, supported by a Risk Management Policy and Procedure, is intended to ensure risks are proactively managed at strategic, operational and project levels. The Risk Register is an active tool to identify the possible and probable risks the Foundation may face over its working life.

Principal risks are currently identified as:
We are currently experiencing high inflation and price volatility that brings the risk that our cost projections in budgets will prove inadequate, contributing to the risk of cash flow problems. Also, the rural electrification project has reached the end of the current funding plan. There is a cash flow risk if fundraising is delayed, and of operations ceasing, if funding the next phase is not successful. We mitigate this risk by regular review of performance against budget, of rolling cash forecasts and timely planning, next-stage project design and conversations with existing funders for the next phase.

Overseas operations carry inherent risk in that it is more difficult for the Foundation to exercise governance and oversight. There is a greater reliance on reporting and key indicators. We mitigate this risk, in addition to formal reporting against key metrics, regular contact between European and Indian management teams, both remote and face to face, and we will continue the development of systems and processes to support data collection, management and decision making.

As the rural electrification project reaches a key milestone and refocuses on replication; success will be impeded if we do not have the skills and systems that are necessary. To mitigate this risk, we see organisational development as integral to the next phase and will plan, fund and deliver key activities focussing on people (leadership & succession planning, training, capacity building) and appropriate systems and processes.

The Foundation is fundraising for replication and had budgeted to receive some third-party grants in the year, which did not happen. The project is currently being funded by grants from connected parties (with €350,000 received in the spring of 2023), the IREDA loan and usage of cash reserves. Of course, uncertainties are inherent in fundraising, but we will continue to monitor cash and have the ability to alter or delay activities until funding is secured. In the summer of 2023, the Trustees reviewed progress, developed and are implementing a 12-month plan for the Foundation to (i) reduce costs, (ii) revive and expand fundraising efforts and (iii) launch replication. Connected party grants have been approved to support the Foundation on the basis of this plan.

In the summer of 2022, the CEO of MPL was dismissed. He subsequently brought a legal case against MPL to challenge this and MPL's claim to recover an immaterial amount of money that he had paid to himself, following his dismissal, without authorisation. MPL's accounts include a contingent liability in relation to this case. However, the former CEO's claim was dismissed in the autumn of 2023. A criminal case is ongoing to recover the misappropriated funds. A review of MPL's internal controls following this incident, identified no major weaknesses that could have prevented the incident but some internal training to took place to build the confidence of staff to challenge and report if they feel that procedures are not being followed.

OUTLOOK FOR 2023-24

In 2022, a decision was taken not to proceed with the installation of the final six grids but to deploy the existing grids more effectively to reach our goals. This learning will support the replication strategy, where Mlinda will support other mini-grid providers to develop their businesses and the lives and livelihoods of their customers through Economic Development of the villages in which they work.

Fundraising for replication has progressed more slowly than anticipated. Given this, the trustees have made the post of Executive Director redundant with effect from December 2023. This enables cost savings and ensures the Foundation can keep costs within committed grant levels whilst fundraising continues. The Foundation has been fortunate to bring on board pro-bono support to recruit potential replicators and talks are well established to deliver two funded pilots, one in Africa, one in India, in 2024. The Foundation has also brought in a Fundraising Consultant, experienced and well-connected in the Sector, to lead the grant fundraising strategy for replication.

Several revenue improvement avenues have been identified for the business in Gumla and these are being explored.

In 2024, we will continue to develop our partnerships with potential replicators and deliver the two pilots. We will use the learning from these to continue to improve the model. Mlinda will provide these operators with training in the model, especially in the economic development strategies that are so central to foundation's mission as well as the long-term viability of the local electricity markets.

RESERVES

The reserves policy has been set with the aim of having 3 months operating costs cover for each entity. This would enable notice periods commitments to be met, should Mlinda cease to operate and to meet current liabilities. The minimum level of reserves will be kept under review as the Foundation grows and operations develop.

At the Balance Sheet date this was assessed to be €60,000 and the foundation had net current assets of €122,008. However, this includes a short-term loan from a connected party of €500,000, which will not be called for repayment until the foundation has sufficient funds in place. The trustees will monitor and keep under review short-term cash needs, as the strategy and funding plan for the next three years is implemented. A grant from a connected party of €300,000 has been committed to in the next financial year and a further €100,000 in 2024 to ensure core costs are covered, given the uncertainty of timing of any fundraising receipts.

The Foundation has significant long-term liabilities at the balance sheet date. However, the Trustees consider that these be excluded from the free reserves calculation as the loans, under their terms, will not be called for repayment unless the Foundation has sufficient funds in place.

The Foundation is cognisant of the funding needs of its subsidiary and the grant commitment to Mlinda Charitable Trust for the current project and will ensure that they have sufficient resources for 3 months operating cost cover, to enable them to put alternative funding arrangements in place should the foundation cease to operate. Based on the 2023-24 budgets for each entity, these are €97,000 and €76,500 respectively. At the balance sheet date free cash balances for each entity were €647,000 and €116,800 which were sufficient to cover this requirement. Mlinda Charitable Trust has secured a 3-year grant from Oak Foundation in 2023 and is seeing interest in their work from several Indian CSR and Charitable Foundations. Their trustees are confident that they will be able to meet their core operating needs from Indian resources going forward.

PENSION LIABILITIES

The Foundation operates a defined benefit pension scheme with NEST for two employees who are based in the UK.

FUNDS IN DEFICIT

The Foundation's subsidiary, MPL, posted a deficit of €326,441 in the year. Despite this deficit, MPL had net current assets of €899,703 and total net assets of €2,325,317 at the balance sheet date. The Trustees will monitor and keep under review future performance and funding needs against the rural electrification project long term budget.

GOING CONCERN

At the time of approving the financial statements, the Trustees have a reasonable expectation that the foundation will have adequate resources to continue to operate for the foreseeable future.

To fund the Foundation's UK operating costs and project work in India, loans from a connected Trust (the Lorelei Trust) and a connected limited company registered in England (Ironie 19 Limited ('Ironie 19')) were received to meet early costs, with the expectation that these will be repaid from future income streams arising from profits generated in the subsidiary. The trustees remain confident that, with a re-positioning of strategy towards economic development conducive to sustainable growth and the opportunity for MPL to support replication this will in turn enable MPL to reach profitability.

The loan from Lorelei Trust is not repayable for 6 years. An €800,000 long-term facility with Ironie 19 is not repayable until 2032. Ironie 19 made a further short-term loan in December 2020, of €500,000, with the option to convert the loan to shares in MPL. A further long-term facility with Ironie 19, of €525,000, taken out in 2022 to advance funds to MPL to build a further 6 grids, will be repaid when monies held in a deposit account, by MPL, to secure a loan from the Indian Government to the subsidiary are released. It was later decided not to proceed with the 6 grids and the loan proceeds are being used as working capital.

The Lorelei Trust and Ironie 19 have confirmed their support for the foreseeable future.

As with any entity placing reliance on connected entities for financial support, the trustees acknowledge that there can be no certainty that this support will continue, although at the date of approval of these audited financial statements, there is no reason to believe they will not do so.

Additionally, the Foundation has developed a fundraising plan for the continued operations in Jharkhand and the implementation of the replication strategy. Several of the funders targeted in the plan are past funders of Mlinda who have already, in principle, expressed interest in future funding. Other funders in the plan are strongly committed to funding access to energy projects like Mlinda.

As with any charity depending on funding from other foundations, the trustees acknowledge that there can be no certainty that applications for funding will be successful or at the anticipated time. In addition, the Trustees have implemented a 12-month plan and brought in experts to support fundraising and the roll-out of replication in the summer of 2023. Given these actions, the potential pilots and the range of potential funders with whom Mlinda has ongoing relationships, the Trustees remain confident that fundraising targets will be met.

Based on this and the continuing support of connected parties the Trustees believe it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

TRUE AND FAIR OVERRIDE

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources and application of resources of the Foundation for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities 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 Foundation will continue in operation.

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

Auditor

Citroen Wells, Statutory Auditors were re-appointed as auditor to the Foundation and a resolution proposing that they be reappointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' Report was approved by the Board of Trustees on 14/12/2023

Sally Chandler

Sally Chandler – Trustee

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF MLINDA FOUNDATION CIO

Opinion

We have audited the financial statements of Mlinda Foundation CIO ('The Foundation') and its subsidiary (the 'Group') for the year ended 31 March 2023, which comprise the Consolidated Statement of Financial Activities, the Group and Foundation Balance Sheets 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and The Foundation's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis 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 Auditor's responsibilities for the audit of the financial statement section of our report. We are independent of the Group and The Foundation 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.

Emphasis of Matter

We draw attention to note 1.2 of the financial statements, which describes the pledges of financial support the Trustees have received for the foreseeable future from connected parties allowing the Trustees to prepare the financial statements on a going concern basis. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or The Foundation's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees' are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Trustees
As explained more fully in the Statement of Trustees' Responsibilities, as set out on page 7, the Trustees' 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 Group'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 or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework being 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 (FRS102), the CIO's constitution, the Charities Act 2011, The Indian Foreign Contribution (Regulation) Act, 2010 and the relevant direct and indirect tax compliance regulation in the United Kingdom and India.

- We understood how the Group is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance and local management in the jurisdictions in which the Group operates. We corroborated our understanding by reviewing supporting documentation including trustee meeting minutes.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating revenue recognition as a fraud risk. We performed journal entry testing by specific risk criteria, with a focus on journals indicating large or unusual transactions based on our understanding of the business. We tested completeness of income through substantive tests performed and cut off tests on the revenue recognised.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expenses and review of trustee meeting minutes.
- The Foundation is a regulated entity under the supervision of the Charities Commission. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

Use of our report

This report is made solely to the 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 Trustees' 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 Foundation and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Citroen Wells

Citroen Wells

Chartered Accountants
Statutory Auditor

15/12/2023

Devonshire House
1 Devonshire Street
London
W1W 5DR

Citroen Wells is eligible for appointment as auditor of the Foundation by virtue of its eligibility for appointment as auditor under section 1212 of the Companies Act 2006.

MLINDA FOUNDATION CIO

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds €	Restricted funds €	Total 31 March 2023 €	Total 31 March 2022 €
Income from:					
Donations	**3**	575,423	-	575,423	100,034
Income from other trading activities:					
Commercial trading operations	**4**	401,295	-	401,295	315,124
Total income		976,718	-	976,718	415,158
Expenditure on:					
Raising funds:					
Commercial trading operations	**4**	838,914	-	838,914	783,372
Charitable activities	**5**	629,917	-	629,917	376,340
Total expenditure		1,468,831	-	1,468,831	1,159,712
Net (expenditure) for the period		(492,113)	-	(492,113)	(744,554)
Other (losses)/gains	**10**	(22,912)	-	(22,912)	83,914
Net movement in funds		(515,025)	-	(515,025)	(660,640)
Reconciliation of funds:					
Total funds brought forward		(33,316)	-	(33,316)	627,324
Total funds carried forward		(548,341)	-	(548,341)	(33,316)

MLINDA FOUNDATION CIO

BALANCE SHEETS
AS AT 31 MARCH 2023

	Notes	Group 31 March 2023 €	Group 31 March 2022 €	Foundation 31 March 2023 €	Foundation 31 March 2022 €
Fixed assets					
Tangible assets	**11**	2,036,276	2,159,730	-	-
Investments	**12**	-	-	2,845,049	2,895,887
Capital work in progress		23,795	-	-	-
Long term loans and advances		4,895	4,538	-	-
Other non-current assets		641,028	652,751	-	-
		2,705,994	2,817,019	2,845,049	2,895,887
Current assets					
Inventories		1,960	4,071	-	-
Trade and other receivables	**13**	65,768	140,369	529,838	629,531
Cash at bank and in hand		1,086,444	1,222,825	265,698	103,703
Investments		16,067	27,781	-	-
		1,170,239	1,395,046	795,536	733,234
Current liabilities	**14**	(873,629)	(1,276,455)	(673,528)	(1,081,732)
Net current assets/(liabilities)		296,610	118,591	122,008	(348,498)
Total assets less current liabilities		3,002,604	2,935,610	2,967,057	2,547,389
Non-current liabilities	**15**	(3,542,184)	(2,961,160)	(2,525,000)	(2,000,000)
Provisions for liabilities		(8,761)	(7,766)	-	-
Net (liabilities)/assets		(548,341)	(33,316)	442,057	547,389

MLINDA FOUNDATION CIO

BALANCE SHEETS (Continued)
AS AT 31 MARCH 2023

	Notes	Group 31 March 2023 €	Group 31 March 2022 €	Foundation 31 March 2023 €	Foundation 31 March 2022 €
The funds of the Foundation					
Restricted funds		-	-	-	-
Unrestricted income funds	**17**	(548,341)	(33,316)	492,895	547,389
		(548,341)	(33,316)	492,895	547,389

The financial statements were approved by the Trustees on 14/12/2023

Sally Chandler

Sally Chandler - Trustee
Charity registration number: 1163028

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31 March 2023 €	€	31 March 2022 €	€
Net cash generated/(absorbed) by operating activities	**22**		16,566		(407,371)
Investing activities					
Purchase of tangible fixed assets		(94,895)		(207,596)	
Sale of investments		11,201		240,599	
			(83,694)		33,003
Financing activities					
Loan borrowings		64,290		816,194	
Loan interest		(133,543)		(33,122)	
			(69,253)		783,072
Change in cash and cash equivalents in the period			(136,381)		408,704
Cash and cash equivalents brought forward			1,222,825		814,121
Cash and cash equivalents carried forward			1,086,444		1,222,825

1. Accounting policies

The Mlinda Foundation ('the Foundation') is a Charitable Incorporated Organisation registered in England and Wales. The Foundation's registered address is Devonshire House, 1 Devonshire Street, London, W1W 5DR. The nature of the Foundation's operations and principal activities are set out in the Trustees' Report.

The Group consists of the Mlinda Foundation and it's wholly owned subsidiary Mlinda Sustainable Environment Private Ltd ("MPL"'). The subsidiary is based and registered in India.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Foundation's governing document, the Charities Act 2011 and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2019)'.

These financial statements consolidate the results of the Foundation and its wholly owned subsidiary, MPL, on a line by line basis. Transactions and balances between the Trust and its subsidiary have been eliminated from the consolidated financial statements. The Foundation constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. The financial statements are prepared in euros, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest €.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. In order to fund the Foundation's UK operating costs and continue the project work in India, loans continue to be received from connected parties. The Foundation has received confirmation from connected parties of their support for the foreseeable future whilst it fundraises or realises its assets to generate liquidity. As with any entity placing reliance on connected entities for financial support, the Trustees acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on the undertakings received the Trustees believe that it continues to remain appropriate to prepare the financial statements on a going concern basis.

1. Accounting policies (continued)

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income recognition

Income is recognised when the Group is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Cash donations are recognised on receipt.

Other donations are recognised once the Group has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure recognition

Resources expended are included in the Statement of Financial Activities on an accruals basis. Grants awarded are charged in the period when the offer is conveyed to the recipient, irrespective of the period covered by the grant, such grants being recognised as expenditure. Governance costs comprise all costs involving the public accountability of the Foundation and its compliance with regulation and good practice.

1.6 Investments

Non-current

Fixed asset investments are mixed motive investments in subsidiaries, recorded at cost less impairment. A subsidiary is an entity controlled by the Foundation. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

At the end of each reporting period investments measured at amortised cost are assessed for objective evidence of impairment. If an investment is impaired the impairment loss is the difference between the carrying amount and the market value of investment. The impairment loss is recognised in the Statement of Financial Activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is recognised to the extent that the revised carrying value does not exceed what the carrying value would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Financial Activities.

Current

Investments held as current assets are revalued to market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities when the gain or loss is material.

1.7 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1. Accounting policies (continued)

1.8 Foreign exchange differences

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation and consolidation are included in the Statement of Financial Activities for the period.

1.9 Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Buildings	Over useful economic life of 30 years
Solar system	Over useful economic life of 35 years
Plant and machinery	6.67%, 12.5% and 20% straight line
Computer equipment	33% straight line
Office equipment	20% straight line

1.10 Other non-current assets

Other non-current assets are term deposits pledged against loans and therefore not freely available for the use of the group.

1.11 Inventories

Inventories are held at the lower of stock and net realisable value.

1.12 Cash at bank and in hand

Cash at bank and in hand represents cash held for working capital purposes and in interest free bank current accounts.

1.13 Financial instruments

The Foundation has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Foundation’s balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1. Accounting policies (continued)

1.13 Financial instruments (continued)

Basic financial assets
Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities
Basic financial liabilities, including trade and other payables and loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the Foundation‘s contractual obligations expire or are discharged or cancelled.

1.14 Provisions

Under Indian law it is mandatory for the employee who has completed a minimum of five years in service to receive a gratuity, therefore the provision in the accounts represents this liability.

2. Critical accounting estimates and judgements

In the application of the Foundation’s accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of 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 estimate is 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.

Valuation of investments
Investments held as non-current assets per note 12 are stated at cost of €4,503,733 less an accumulated impairment of €1,658,684. The investments have been valued on an open value basis as at 31 March 2023 by the Trustees but with reference to previous independent professional valuations undertaken in prior years. Although the Trustees appreciate that valuations of unquoted companies can be subjective, they believe the carrying value of the investment, following the impairments, to be in line with the current valuation of the subsidiary.

3. Donations

	Income from other activities €	Restricted funds €	31 March 2023 €	31 March 2022 €
Mlinda USA	300,000	-	300,000	-
The Lorelei Trust	300,000	-	300,000	100,000
IKEA	(24,820)	-	(24,820)	
Others	243	-		34
	575,423	-	575,423	100,034
For the year ended 31 March 2022	100,034	-	-	100,034

4. Income from other activities

The wholly owned trading subsidiary, Mlinda Sustainable Environment Private Ltd is incorporated in India.

A summary of the financial performance of this subsidiary alone is set out below:

	31 March 2023 €	31 March 2022 €
Turnover	401,295	315,124
Administration expenses	(838,914)	(772,144)
Net loss before tax	(437,619)	(457,020)
Taxation*	111,178	118,707
Net loss after tax retained in the subsidiary	(326,441)	(338,313)

The assets and liabilities of the subsidiary were:

	31 March 2023 €	31 March 2022 €
Fixed assets	3,175,487	3,318,291
Current assets	899,703	1,186,812
Current liabilities	(196,994)	(228,157)
Provisions and non-current liabilities	(1,552,879)	(1,492,829)
Total net assets	2,325,317	2,784,117
Aggregate share capital and reserves	2,325,317	2,784,117

** not recognised in the group financial statements*

4. Income from other activities (continued)

Details of the Foundation's subsidiary at 31 March 2023 is as follows:

Name of undertaking	Registered Office	Nature of business	Class of shares held	% Held Direct
Mlinda Sustainable Environment Private Ltd	Ground Floor – Flat No 1, 41 B/5, Gariahat Road South, Kolkata – 700031, India	Sustainable Development	Ordinary shares	100.00

5. Charitable activities

	31 March 2023 €	31 March 2022 €
Wages and related costs	225,477	223,466
Staff recruitment costs	6,042	-
Telecommunications	-	710
Travelling expenses	16,152	5,069
Office supplies	3,732	4,087
Bank charges	15,022	27,695
Insurance	4,096	3,407
IT costs	5,956	9,417
General expenses	1,678	1,537
	278,155	275,388
Governance costs (see note 6)	159,928	100,952
Grant funding activities (see note 7)	191,834	
	629,917	376,340

Charitable activities		
Unrestricted funds	629,917	365,922
Restricted funds	-	10,418
	629,917	376,340

6. Governance costs

	31 March 2023 €	31 March 2022 €
Audit fees	27,574	27,179
Legal and professional fees	55,433	37,273
Loan interest	76,921	36,500
	159,928	100,952

7. Grants

The grant funding of the activities comprised the following:

	31 Mar 2023 €	31 March 2022 €
Grants to institutions	191,834	-

The grants payable in the period were all due to institutional entities.

€191,834 (2022: €nil) was paid to Mlinda Charitable Trust, a Trust related to the Foundation, and registered in India.

8. Trustees

During the year, €6,921 (2022: €7,054) was paid to Sally Chandler, a trustee of the Foundation, for legal and professional services rendered. The payments were made in accordance with the Foundation's governing document and the Charities Act 2011.

9. Employees

Number of employees
The average monthly number of employees during the period was 33 (2022: 45).

Employment costs	31 March 2023 €	31 March 2022 €
Wages	346,452	412,439
National insurance	14,996	9,792
Pensions	62,246	111,310
	423,694	533,541

9. Employees (continued)

The number of employees whose annual remuneration was €70,000 or more were:

	31 March 2023 Number	31 March 2022 Number
€80,000 - €90,000	-	1
€120,000 - €130,000	1	1

Payments to key management personnel during the year totalled €171,814 (2022: €222,335).

10. Other gains/(losses)

	31 March 2023 €	31 March 2022 €
Foreign exchange (losses)/gains	(22,912)	83,914

11. Tangible fixed assets

Group	Plant and machinery €
Cost or valuation	
At 1 April 2022	2,754,467
Additions	96,187
At 31 March 2023	**2,850,654**
Depreciation	
At 1 April 2022	594,737
Charge for the period	219,641
At 31 March 2023	**814,378**
Net book value	
At 31 March 2023	**2,036,276**
At 31 March 2022	2,159,730

The Foundation had no tangible fixed assets during the current or comparative periods.

12. Investments

Foundation	**Subsidiaries**
	€
Cost or valuation	
At 1 April 2022	2,895,887
Additions	-
Impairment	(50,838)
At 31 March 2023	**2,845,049**
Carrying amount	
At 31 March 2023	**2,845,049**
At 31 March 2022	2,895,887

The Foundation's investment in MPL was impaired by €50,838 in the year. See note 2 for further details.

The group had no fixed asset investments during the current or comparative periods

13. Trade and other receivables

	Group		**Foundation**	
	31 March 2023	**31 March 2022**	**31 March 2023**	**31 March 2022**
	€	**€**	**€**	**€**
Amount receivable	1,718	102,587	525,000	625,000
Short term loans and advances	28,669	28,256	-	-
Prepayments	35,381	9,526	4,838	4,531
	65,768	140,369	529,838	629,531

14. Creditors: amounts falling due within one year

	Group		**Foundation**	
	31 March 2023	**31 March 2022**	**31 March 2023**	**31 March 2022**
	€	**€**	**€**	**€**
Borrowings	652,615	1,186,717	500,000	1,025,000
Payable for capital expenditure	1,066	1,901	-	-
Accrued expenses	196,199	76,830	173,528	56,732
Statutory dues	5,328	2,763	-	-
Other payables	18,421	8,244	-	-
	873,629	1,276,455	673,528	1,081,732

15. Non-current liabilities

	Group		Foundation	
	31 March 2023 €	31 March 2022 €	31 March 2023 €	31 March 2022 €
Borrowings	3,542,184	2,961,160	2,525,000	2,000,000

Included in borrowings are two term loans from Indian Renewable Energy Development Agency Limited (IREDA), a Government of India Enterprise to Mlinda Sustainable Environment Private Limited:

1) Project No 2402 secured on all movable assets of the project and a charge on surplus revenue generated from the 17 village mini grids installed and commissioned by the company. Borrowings outstanding at the balance sheet date were €900,080 and interest was payable on the loan at a rate of 11.5% per annum and due for repayment by 3 March 2029.

2) Project No 2572 secured on all movable assets of the project, a charge on the Trust and Retention account and a negative lien on the shares of the company. Borrowings outstanding at the balance sheet date were €29,291 and interest was payable on the loan at a rate of 11.5% per annum and due for repayment by 3 March 2029.

Included in other non-current assets is a €599,254 term deposit held by IREDA which is pledged against the borrowings noted above.

3) The above includes an amount of €240,428 received in relation to Debt Service Reserve Money (DSRM), an incentive in connection with the IREDA bank borrowings of MPL. This amount is included in cash at bank within current assets. The DSRM shall become a grant to MPL to be offset against the final loan repayment obligations if MPL is not in default of its loan conditions for more than 90 days and achieves project operational service delivery requirements as agreed by IREDA.

The remainder of the borrowings are owed to related parties as disclosed in note 19.

16. Analysis of net (liabilities)/assets between funds

Group	Unrestricted funds €	Restricted funds €	Total €
Fund balances at 31 March 2023 are represented by:			
Fixed assets	2,705,994	-	2,705,994
Current assets	1,170,239	-	1,170,239
Creditors: amounts falling due within one year	(873,629)	-	(873,629)
Creditors: amounts falling due in more than one year	(3,542,184)	-	(3,542,184)
Provisions for liabilities	(8,761)	-	(8,761)
	(548,341)	-	(548,341)

Foundation	Unrestricted funds €	Restricted funds €	Total €
Fund balances at 31 March 2023 are represented by:			
Investments	2,845,049	-	2,895,887
Current assets	795,536	-	795,536
Creditors: amounts falling due within one year	(673,528)	-	(673,528)
Creditors: amounts falling due in more than one year	(2,525,000)	-	(2,525,000)
	442,057	-	442,057

17. Unrestricted funds

Foundation

	Unrestricted funds €
Unrestricted funds brought forward at 1 April 2022	547,389
Impairment	(50,838)
Net expenditure	(54,494)
Unrestricted funds carried forward at 31 March 2023	442,057

The Foundation's investment in MPL was impaired by €50,838 in the year. See note 2 for further details.

The movement in the Group's unrestricted funds is shown in the consolidated Statement of Financial Activities on page 12.

18. Operating lease commitments

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31 March 2023 €	31 March 2022 €
Within one year	10,686	10,985
Between two and five years	34,118	38,873
After five years	74,647	83,922
	119,451	133,780

19. Related party transactions

i) At the balance sheet date €1,875,000 (2022: €1,875,000) was owed to Ironie 19 Limited, a private limited company registered in the UK, with a director who is a trustee of the Foundation. The loan is interest bearing at a fixed rate of 3%, with interest of €56,250 (2022: €25,500) charged during the year. At the year end the group owed accrued interest of €62,834 (2022: €6,584).

ii) At the balance sheet date €550,000 (2022: €550,000) was owed to The Lorelei Trust, a trust based in Ireland of which the Foundation is a beneficiary, as a loan to help fund the charitable activities of the Foundation. The loan is interest bearing at a rate of 2% above Euribor, with interest of €20,671 (2022: €11,000) charged during the year. At the year end the group owed accrued interest of €5,414 (2022: €2,712).

During the year, the Foundation received donations totalling €300,000 (2022: €100,000) from The Lorelei Trust. At the year end the Foundation was owed €nil (2022: €100,000).

iii) During the year, the Foundation received donations totalling €300,000 (2022: €nil) from Mlinda USA, a charity with common Trustees.

20. Financial activities of the Foundation

The financial activities shown in the consolidated statement of financial activities include those of the Foundation’s wholly owned subsidiary.

A summary of the financial activities undertaken by the Foundation, as an individual undertaking, is as set out below:-

	2023	2022
	€	€
Income from donations	575,423	100,034
Expenditure on charitable activities	(629,917)	(376,340)
Total	(54,494)	(276,306)
Impairment of investment	(50,838)	(463,898)
Net deficit	**(105,332)**	**(740,204)**
Total funds brought forward	547,389	1,287,593
Total funds carried forward	**442,057**	**547,389**
Represented by:		
Unrestricted funds	442,057	547,389
Restricted funds	-	-
	442,057	**547,389**

21. Contingent liabilities

A claim was made against MPL by a former member of staff in the amount of €268,000. The Directors sought legal advice, which indicated that MPL had a robust defence and that the claimant was not likely to succeed. Accordingly, no provision for the claim was made in the accounts for the year ended 31 March 2023.

Subsequent to the year end, the Indian legal system found in favour of MPL. The case was dismissed and costs were awarded to MPL.

22. Cash generated from operations

	31 March 2023 €	31 March 2022 €
(Deficit) for the period	(515,025)	(660,640)
Adjustments for:		
Depreciation of tangible fixed assets	219,641	201,973
Loan interest	202,961	48,692
(Decrease)/increase in provision	(995)	3,914
(Profit) on sale of investments	(613)	(20,596)
Loss on disposal of tangible assets	4,246	16,884
Foreign exchange losses on cash equivalents	11,366	6,307
Movements in working capital:		
(Decrease)/increase in capital work in progress	(23,795)	52,283
Increase/(decrease) in stock	2,111	(1,367)
Decrease/(increase) in debtors	74,601	(97,077)
Increase in creditors	42,068	42,256
Net generated/(absorbed) by operating activities	16,566	(407,371)

23. Analysis of changes in net debt

	1 April 2022 €	Cash flows €	Other non-cash changes €	Foreign exchange movements €	31 March 2023 €
Cash	1,222,825	(136,381)	-	-	1,086,444
Loans falling due within one year	(1,186,717)	161,717	372,385	-	(652,615)
Loans falling due after more than one year	(2,961,160)	(226,007)	(372,385)	17,368	(3,542,184)
Total	**(2,925,052)**	**(200,671)**	**-**	**17,368**	**(3,108,355)**

MLINDA FOUNDATION

England & Wales - Charity number 1163028

Accounts

Charity Registration No. 1163028

MLINDA FOUNDATION CIO

ANNUAL TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

MLINDA FOUNDATION CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sally Chandler Richard Azarnia Liesl Maria Patricia Eisenbeiss Andrew Giles Pedder Davies Sirv Mahesh Chibber Sachitt Chandaria – appointed 9th December 2021
Charity registration number	1163028
Principal address	Devonshire House 1 Devonshire Street London W1W 5DR
Auditor	Citroen Wells Devonshire House 1 Devonshire Street London W1W 5DR
Bankers	Marcard, Stein & Co AG Ballindamm 36 20095 Hamburg Germany

MLINDA FOUNDATION CIO

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MLINDA FOUNDATION CIO

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report and financial statements of Mlinda Foundation CIO ("Mlinda" or "the Foundation") for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Foundation'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 (FRS 102) (effective 1 January 2019)".

The Trustees who served during the year were:

Sally Chandler
Richard Azarnia
Liesl Maria Patricia Eisenbeiss
Andrew Giles Pedder Davies
Sirv Mahesh Chhibber
Sachitt Chandaria– (appointed 9 December 2021)

WHY WE ARE HERE
More than 734 million people still live in extreme poverty today, struggling to fulfil the most basic needs like health, education, and access to water and sanitation.

Over the course of the last generation, economic growth has helped more than a billion people leave the most destitute living conditions behind. But while consumption and production drive the global economy and lift people out of poverty, they deplete the earth's resources and cause harmful greenhouse gas emissions. They threaten everything we care about: well-being, security, culture, landscape, and financial stability.

Mlinda works in developing countries to create economic growth while reducing the threat of wasteful production and consumption. We build market-based solutions that are self-sustaining, replicable, and scalable.

In the year under review, Mlinda continued to focus on achieving these objectives through its rural electrification programme implemented in the state of Jharkhand in India.

OBJECTIVES & ACTIVITIES
Mlinda's objectives are to promote, for the benefit of the public, conservation, protection and improvement of the physical and natural environment. In particular the Foundation aims to educate the public about climate change and depletion of natural resources, to encourage organisations to undertake systemic change in their production processes and to transform individual behaviour and modes of consumption. The focus to date has been on the investment into research and development of a scalable and replicable model of rural electrification using renewable energy in rural India.

Mlinda aims to raise income to support its objects as the Trustees see fit. The Foundation receives grants from other institutions with a view to donating monies received to Mlinda Charitable Trust and investing in Mlinda Sustainable Environment Private Limited, both of which are based in India to deliver the rural electrification programme.

The Trustees have regard to the Charity Commission's public benefit guidance when making decisions to which the guidance is relevant. During the year under review, the Trustees consider the Foundation met the public benefit requirement through the expansion of its rural electrification programme in the state of Jharkhand, India. The supply of clean electricity is a catalyst to drive sustainable economic and social benefits. We create long-term improvement in the lives of communities by providing the reliable energy, finance and expertise upon which to build a financially and environmentally sustainable economy.

ACHIEVEMENTS AND PERFORMANCE

India has halved its poverty rate since the 1990's. Part of this story has been India's unprecedented progress towards universal electricity provision. However, this hides many challenges to access quality and reliable energy for the most marginalised. Most significantly, the national grid is not reliable or appropriate enough for running a business, especially with the type of large machinery that could create employment and meaningfully increase incomes.

Mlinda seeks to increase access to energy to enable India's most marginalised communities to grow sustainable livelihoods, while also reducing CO2 emissions. The rural communities in Jharkhand have average annual household incomes equivalent to less than 700 Euros.

Mlinda's village-wide mini-grids provide metered energy which is paid for by households. We offer business advisory support to help villagers to develop their agribusinesses and train local villagers to repair and maintain their energy service network.

Renewable energy activities began in 2011 with small solar rooftop systems shared between families in the mangrove areas of the Sunderbans of southern West Bengal. In 2013, Mlinda expanded to northern areas of West Bengal, later moving into Jharkhand in 2015.

In 2016 Mlinda began installing village-wide solar powered mini-grids in Jharkhand. By the end of March 2021, Mlinda had installed and commissioned solar powered mini-grids in 44 villages with a total installed base of 1037 kWp, electrifying over 7,200 households. Our direct beneficiaries include women, children, farmers, entrepreneurs, school and health centres. Around 41,000 individuals are connected to our electricity.

THE MODEL

- People in developing countries have the right to improve their lives and livelihoods through economic development and growth. This process is already happening at great speed.
- Without a significant change from current behaviours, this rapid growth will do irreversible damage to the global environment.
- For development to be environmentally sustainable, it requires a shift from carbon intensive energy production to green energy.
- The shift to sustainable modes of production and consumption is a systemic challenge. Our solutions must also be systemic, offering solutions to the core flaws of the existing system. This requires a response that ranges from the local (access to finance, markets, and skills) to the national and international (funding for capital intensive energy projects).
- This shift requires a response that is also catalytic, triggering and precipitating a change beyond its immediate and direct reach. This means a response that can be replicated at scale by a wide range of actors.
- Sustainable economic growth in developing countries can only happen at scale globally if vast numbers of small, nimble, local private companies step in to play a role. The problem is too big and too urgent for governments, NGO's, or multinationals to address alone.
- Mlinda's model is to mobilise small local mini-grid operators to provide clean energy as a platform to spur economic growth in rural areas of developing countries.
- The mini-grid operators work with businesses to grow the local economy, ensuring improvement to people's lives while at the same time growing the local market for the clean energy they sell.
- This virtuous circle provides a powerful incentive for commercial mini-grid operators to step in to drive sustainable economic growth.

For a robust local economy to experience healthy growth without the ongoing need for outside support, it must have the following attributes:

- Diversity - a range of economic activities that complement each other and that provide opportunities for the whole population
- Resilience - diversity of activities, adequate savings, and access to finance to enable people and businesses to survive economic shocks
- Inclusiveness - active participation by the whole population, regardless of gender or social category
- Sustainability - economic activities that do not damage, but ideally support and enhance the natural environment

The effort to build these attributes cuts across all of our economic development activities, forming our most fundamental outcomes. They serve as criteria for selection of the businesses and individuals we will support and the way we support them.

The ultimate goal of this work is to develop a commercially viable model for sustainable development, and then to scale our impact by coordinating a wide range other organisations to replicate the model globally. Our plans for replication centre on a franchising approach, where Mlinda provides franchisees with:

- Internationally coordinated fundraising (grants, debt, and equity) at scale
- Internationally coordinated procurement for capital equipment
- Technical training and standard operating procedures for grid design, build, and operations
- Technical training, programme assistance, and monitoring & evaluation for economic development and community engagement efforts

2021-22 ACTIVITY

By the end of March 2021, Mlinda had installed and commissioned solar powered mini-grids in 44 villages with a total installed base of 1037 kWp, electrifying over 7,200 households and over 990 productive loads. We have achieved a reduction in greenhouse gas emissions of 1,054 tons pa and a reduction in diesel/kerosene usage of 185,776 ltrs.

During 2021-22, we worked to rationalise the operational model for the mini-grids, reducing costs and developing new approaches to increasing revenue. We also developed an ambitious new strategy for economic development, focussing on removing barriers to growth while creating the economic conditions required for a robust, sustainable economy. We implemented this new approach first in our existing mustard oil business, converting it to a holistic value chain approach. We worked with local women's self-help groups and with farmer producer organisations and partnered with local NGO's to set up entrepreneurs in the mustard oil business. Mlinda worked with these partners to strengthen backward and forward market linkages to increase income and build a robust value chain.

STRUCTURE GOVERNANCE AND MANAGEMENT

Mlinda Foundation CIO is a Charitable Incorporated Organisation in England. The governing document is the Foundation's Constitution dated 17 June 2015. Mlinda is governed by a board of Trustees which has ultimate responsibility for directing strategy and overseeing performance of the Foundation. Trustees are elected for a period of five years and six served during the reporting period. The Board of Trustees retain oversight via quarterly reports which cover key performance objectives and financial performance and are the basis for decision making. These reports are considered at the regular board meetings which take place quarterly. In addition, informal meetings are held from time to time if required.

Trustees have been recruited to date because they are known to current board members, have an interest in the Foundation's objectives and have skills, experience, and knowledge that the board needs. Mlinda has developed an induction pack for new Trustees.

Day to day management of Mlinda Foundation CIO (MUK) was delegated to Wayne Myslik, Executive Director.

The Foundation has a wholly owned subsidiary, Mlinda Sustainable Environment Private Limited ("MPL"). MPL is a Limited company, registered in India, and is responsible for the technical delivery of the Electrification Programme in rural Jharkhand. The subsidiary sub-contracts the supply, installation and operation of the mini-grids. The Foundation has invested in the equity of MPL to date to provide working capital. The Trustees believe that this investment is vital to establish, long term, Mlinda's objective of a scalable and replicable model of rural electrification with the long-term aim of generating unrestricted income for the Foundation to further its objectives.

Mlinda has a partnership with Mlinda Charitable Trust ("MCT"), a charity registered in India. MCT delivers the public benefit outcomes of the Electrification Programme. The Foundation funds MCT's programmes through grant donations against agreed programmes of work.

The Boards of Mlinda, MPL, and MCT entered into a Group Agreement in 2021 that outlines their commitment to work together toward a common strategic goal and sets out how decisions will be taken on group-wide issues.

By agreement with the boards of MPL and MCT, the Mlinda Executive Director serves as supervisor of the General Managers of MPL and MCT. This ensures consistent oversight across the group. Two Mlinda Trustees sit on the board of MPL, together with two independent Indian Directors and the Mlinda Executive Director. MCT has three Trustees.

Roles and objectives of key management personnel of the Foundation and subsidiary are defined in conjunction with the strategic objectives of Mlinda and pay and conditions benchmarked against similar roles in the sector and location. Key management personnel are the Executive Director and the Directors and General Manager of MPL.

Work to strengthen governance and management across the group continued through 2021 and will remain under review throughout 2022 so they remain relevant to the needs and obligations of the group in the future.

There were no assets held as custodian trustee during the year.

Roles and objectives of key management personnel of the Foundation and subsidiary are defined in conjunction with the strategic objectives of Mlinda and pay and conditions benchmarked against similar roles in the sector and location. Key management personnel are the Executive Director and the Directors and General Manager of MPL.

FUNDRAISING
Mlinda does not engage in public fundraising.

FINANCIAL REVIEW
The Foundation has prepared consolidated financial statements for the year ended 31 March 2022. The group result is a deficit of €660,640, which includes operating losses of €468,248 in the trading subsidiary (MPL). Expenditure of €742,624 and capex of €43,460 was incurred on activities funded by a grant from the IKEA Foundation in 2019 to strengthen Mlinda's organisational capacity to ensure it is well positioned to deliver the core elements of the strategy for the next phase of the project.

MPL received a loan of €525,000 in the year from The Indian Renewable Energy Development Association (IREDA). This loan is secured on the existing grids and by a cash deposit, provided by MPL. The monies will provide working capital for MPL over the next few years.

The Foundation provided an advance to MPL in the year to provide working capital. This will be repaid to the charity when the cash deposit is returned by IREDA. This is backed by a loan to Mlinda from a connected party.

The investment in MPL was impaired during the year by €463,898; based on an independent valuation. The Trustees believe the carrying value of the investment, following the impairment, is in line with the current valuation of the subsidiary.

INVESTMENT POLICY

Mlinda invests to achieve both a financial return and to directly further its charitable objectives. However, investing also exposes Mlinda to risks which, if not properly managed, can affect not just the charity itself but the public's trust and confidence in the sector more generally. Because of this, Mlinda's Trustees follow the guidance of the Charity Commission to ensure that investment decisions are compliant with their duties and have approved an Investment Policy which sets out what Mlinda's investment objectives are, how investment decisions are made, and investment risk managed. Mlinda's Investment Policy applies to any subsidiaries of Mlinda.

PRINCIPAL RISKS & UNCERTAINTIES

The Foundation's Trustees have considered the major risks to which the Foundation is exposed and satisfied themselves that systems or procedures are established to manage those risks.

A Risk Register, supported by a Risk Management Policy and Procedure, is intended to ensure risks are proactively managed at strategic, operational and project levels. The Risk Register is an active tool to identify the possible and probable risks the Foundation may face over its working life.

Principal risks are currently identified as:
Liquidity and cash flow risk. We are currently experiencing high inflation and price volatility that brings a significant risk that our cost projections in budgets will prove inadequate, contributing to the risk of cash flow problems. Also, the rural electrification project has reached the end of the current funding plan. There is a cash flow risk if fundraising is delayed, and of operations ceasing, if funding the next phase is not successful. We mitigate this risk by regular review of performance against budget, of rolling cash forecasts and timely planning, next-stage project design and conversations with existing funders for the next phase.

Overseas operations carry inherent risk in that it is more difficult for the Foundation to exercise governance and oversight. There is a greater reliance on reporting and key indicators. We mitigate this risk, in addition to formal reporting against key metrics, regular contact between European and Indian management teams, both remote and face to face, and we will continue the development of systems and processes to support data collection, management and decision making.

As the rural electrification project reaches a key milestone and refocuses on replication; success will be impeded if we do not have the skills and systems that are necessary. To mitigate this risk, we see organisational development as integral to the next phase and will plan, fund and deliver key activities focussing on people (leadership & succession planning, training, capacity building) and appropriate systems and processes.

OUTLOOK FOR 2022-23

In 2022, Mlinda expects to have achieved the goal of supplying 50 villages with reliable clean energy. We are developing the final six of these grids to be a showcase cluster, using all that we have learned so far to have a working demonstration of the Mlinda model.

In 2022-23 we will begin designing plans for the replication of the Mlinda model internationally and seeking funding for implementation. The intent is for Mlinda to use a franchising/consulting model, whereby a Mlinda company (to be created) will organise fundraising (grant, debt, equity) and procurement, both at scale internationally, to support a network of independent grid operators using the Mlinda model. Mlinda will provide these operators with training in the model, especially in the economic development strategies that are so central to Foundation's mission as well as the long-term viability of the local electricity markets.

RESERVES

The reserves policy has been set with the aim of having 3 months operating costs cover for each entity. This would enable notice periods commitments to be met, should Mlinda cease to operate and to meet current liabilities. The minimum level of reserves will be kept under review as the Foundation grows and operations develop.

At the Balance Sheet date this was assessed to be €97,000 but the Foundation actually had net current liabilities of €348,498. However, this includes a short-term loan from a connected party of €500,000, which will not be called for repayment until the Foundation has sufficient funds in place. The Trustees will monitor and keep under review short-term cash needs, as the strategy and funding plan for the next three years is implemented. Since the year end the Foundation has received further loans/grants of €350,000 which continue to support its operational requirements.

The Foundation has significant long-term liabilities at the balance sheet date. However, the Trustees consider that these be excluded from the free reserves calculation as the loans, under their terms, will not be called for repayment unless the Foundation has sufficient funds in place.

The Foundation is cognisant of the funding needs of its subsidiary and the grant commitment to Mlinda Charitable Trust for the current project and will ensure that they have sufficient resources for 3 months operating cost cover, to enable them to put alternative funding arrangements in place should the Foundation cease to operate. Based on the 2022 budgets for each entity, these are €117,655 and €61,000 respectively. At the balance sheet date cash balances for each entity were €1,119,000 and €64,000 which were sufficient to cover this requirement.

PENSION LIABILITIES

The Foundation operates a defined benefit pension scheme with NEST for two employees who are based in the UK. At the balance sheet date accrued contributions were €nil (2021: €nil).

FUNDS IN DEFICIT

The Foundation's subsidiary, MPL, posted a deficit of €338,313 in the year. Despite this deficit, MPL had net current assets of €958,655 and total net assets of €2,784,117 at the balance sheet date. The Trustees will monitor and keep under review future performance and funding needs against the rural electrification project long term budget.

GOING CONCERN

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Foundation will have adequate resources to continue to operate for the foreseeable future.

To fund the project work in India, loans from a connected Trust (the Lorelei Trust) and a connected limited company registered in England (Ironie 19 Limited) were received to meet early costs, with the expectation that these will be repaid from future income streams arising from profits generated in the subsidiary. The timelines for this have been affected by the Covid-19 pandemic, however the Trustees are confident that, with a re-positioning of strategy towards economic development conducive to sustainable growth, this will in turn enable MPL to reach profitability.

The loan from Lorelei Trust is not repayable for 7 years. An €850,000 long-term facility with Ironie 19 is not repayable until 2032. Ironie 19 made a further short-term loan in December 2020, of €500,000, with the option to convert the loan to shares in MPL. A further long-term facility with Ironie 19, of €525,000, taken out in the year to advance funds to MPL, will be repaid when monies held in a deposit account, by MPL, to secure a loan from the Indian Government to the subsidiary are released.

The Lorelei Trust and Ironie 19 have confirmed to the Trustees their support for the foreseeable future whilst Mlinda fundraises or realises its assets to generate liquidity.

As with any entity placing reliance on connected entities for financial support, the Trustees acknowledge that there can be no certainty that this support will continue, although at the date of approval of these audited financial statements, there is no reason to believe they will not do so.

Additionally, the Foundation has developed a fundraising plan for the continued operations in Jharkhand and the implementation of the replication strategy. Several of the funders targeted in the plan are past funders of Mlinda who have already, in principle, expressed interest in future funding. Other funders in the plan are strongly committed to funding access to energy projects like Mlinda.

As with any charity depending on funding from other Foundations, the Trustees acknowledge that there can be no certainty that applications for funding will be successful or at the anticipated time. However, given the range of target funders that could be approached and the ongoing relationships with several of them, the Trustees remain confident that fundraising will meet the Foundation's needs.

Based on this undertaking the Trustees believe it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

TRUE AND FAIR OVERRIDE

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustee's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources and application of resources of the Foundation for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities 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 Foundation will continue in operation.

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

Auditor

Citroen Wells, Statutory Auditors were re-appointed as auditor to the Foundation and a resolution proposing that they be reappointed will be put at a General Meeting.

Disclosure of information to auditor
Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' Report was approved by the Board of Trustees on 20/12/2022 …………………..

Sally Chandler

Sally Chandler – Trustee

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF MLINDA FOUNDATION CIO

Opinion

We have audited the financial statements of Mlinda Foundation CIO ('The Foundation') and its subsidiary (the 'Group') for the year ended 31 March 2022, which comprise the Consolidated Statement of Financial Activities, the Group and Foundation Balance Sheets 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and The Foundation's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis 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 Auditor's responsibilities for the audit of the financial statement section of our report. We are independent of the Group and The Foundation 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.

Emphasis of Matter

We draw attention to note 1.2 of the financial statements, which describes the pledges of financial support the Trustees have received for the foreseeable future from connected parties allowing the Trustees to prepare the financial statements on a going concern basis. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or The Foundation's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees' are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Trustees
As explained more fully in the Statement of Trustees' Responsibilities, as set out on page 7, the Trustees' 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 Group'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 or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 152 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework being 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 (FRS102), the CIO's constitution, the Charities Act 2011, The Indian Foreign Contribution (Regulation) Act, 2010 and the relevant direct and indirect tax compliance regulation in the United Kingdom and India.

- We understood how the Group is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance and local management in the jurisdictions in which the Group operates. We corroborated our understanding by reviewing supporting documentation including trustee meeting minutes.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating revenue recognition as a fraud risk. We performed journal entry testing by specific risk criteria, with a focus on journals indicating large or unusual transactions based on our understanding of the business. We tested completeness of income through substantive tests performed and cut off tests on the revenue recognised.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expenses and review of trustee meeting minutes.
- The Foundation is a regulated entity under the supervision of the Charities Commission. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

Use of our report
This report is made solely to the 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 Trustees' 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 Foundation and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Citroen Wells

Citroen Wells

Chartered Accountants
Statutory Auditor

20/12/2022

Devonshire House
1 Devonshire Street
London
W1W 5DR

Citroen Wells is eligible for appointment as auditor of the Foundation by virtue of its eligibility for appointment as auditor under section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds €	Restricted funds €	Total 31 March 2022 €	Total 31 March 2021 €
Income from:					
Donations	3	100,034	-	100,034	201,020
Income from other trading activities:					
Commercial trading operations	4	315,124	-	315,124	428,319
Total income		415,158	-	415,158	629,339
Expenditure on:					
Raising funds:					
Commercial trading operations	4	783,372	-	783,372	1,143,235
Charitable activities	5	365,922	10,418	376,340	409,805
Total expenditure		1,149,294	10,418	1,159,712	1,553,040
Net (expenditure) for the period		(734,136)	(10,418)	(744,554)	(923,701)
Other gains/(losses)	9	83,914	-	83,914	(121,345)
Net movement in funds		(650,222)	(10,418)	(660,640)	(1,045,046)
Reconciliation of funds:					
Total funds brought forward		616,906	10,418	627,324	1,672,370
Total funds carried forward		(33,316)	-	(33,316)	627,324

MLINDA FOUNDATION CIO

BALANCE SHEETS
AS AT 31 MARCH 2022

	Notes	Group 31 March 2022 €	Group 31 March 2021 €	Foundation 31 March 2022 €	Foundation 31 March 2021 €
Fixed assets					
Tangible assets	**10**	2,159,730	2,154,107	-	-
Intangible assets	**11**	-	16,884	-	-
Investments	**12**	-	-	2,895,887	3,359,785
Capital Work in Progress		-	52,283	-	-
Long term loans and advances		4,538	10,845	-	-
Other non-current assets		652,751	34,262	-	-
		2,817,019	2,268,381	2,895,887	3,359,785
Current assets					
Inventories		4,071	2,704	-	-
Trade and other receivables	**13**	140,369	43,292	629,531	3,476
Cash at bank and in hand		1,222,825	814,121	103,703	521,709
Investments		27,781	247,784	-	-
		1,395,046	1,107,901	733,234	525,185
Current liabilities	**14**	(1,276,455)	(702,610)	(1,081,732)	(597,377)
Net current assets/(liabilities)		118,591	405,291	(348,498)	(72,192)
Total assets less current liabilities		2,935,610	2,673,672	2,547,389	3,287,593
Non-current liabilities	**15**	(2,961,160)	(2,042,496)	(2,000,000)	(2,000,000)
Provisions for liabilities		(7,766)	(3,852)	-	-
Net (liabilities)/assets		(33,316)	627,324	547,389	1,287,593

MLINDA FOUNDATION CIO

BALANCE SHEETS (Continued)
AS AT 31 MARCH 2022

	Notes	Group 31 March 2022 €	Group 31 March 2021 €	Foundation 31 March 2022 €	Foundation 31 March 2021 €
The funds of the Foundation					
Restricted funds	**17**	-	10,418	-	10,418
Unrestricted income funds	**18**	(33,316)	616,906	547,389	1,277,175
		(33,316)	627,324	547,389	1,287,593

The financial statements were approved by the Trustees on 20/12/2022 ……………………

Sally Chandler

Sally Chandler - Trustee
Charity registration number: 1163028

1. Accounting policies

The Mlinda Foundation (‘the Foundation’) is a Charitable Incorporated Organisation registered in England and Wales. The Foundation's registered address is Devonshire House, 1 Devonshire Street, London, W1W 5DR. The nature of the Foundation's operations and principal activities are set out in the Trustees' Report.

The Group consists of the Mlinda Foundation and it’s wholly owned subsidiary Mlinda Sustainable Environment Private Ltd (“MPL”’). The subsidiary is based and registered in India.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Foundation’s governing document, the Charities Act 2011 and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2019)’.

These financial statements consolidate the results of the Foundation and its wholly owned subsidiary, MPL, on a line by line basis. Transactions and balances between the Trust and its subsidiary have been eliminated from the consolidated financial statements. The Foundation constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. The financial statements are prepared in euros, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest €.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. In order to fund the project work in India, loans continue to be received from connected parties. The Foundation has received confirmation from connected parties of their support for the foreseeable future whilst it fundraises or realises its assets to generate liquidity. As with any entity placing reliance on connected entities for financial support, the Trustees acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on the undertakings received the Trustees believe that it continues to remain appropriate to prepare the financial statements on a going concern basis.

1. Accounting policies (continued)

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income recognition

Income is recognised when the Group is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Cash donations are recognised on receipt.

Other donations are recognised once the Group has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Expenditure recognition

Resources expended are included in the Statement of Financial Activities on an accruals basis. Grants awarded are charged in the period when the offer is conveyed to the recipient, irrespective of the period covered by the grant, such grants being recognised as expenditure. Governance costs comprise all costs involving the public accountability of the Foundation and its compliance with regulation and good practice.

1.6 Investments

Non-current

Fixed asset investments are mixed motive investments in subsidiaries, recorded at cost less impairment. A subsidiary is an entity controlled by the Foundation. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

At the end of each reporting period investments measured at amortised cost are assessed for objective evidence of impairment. If an investment is impaired the impairment loss is the difference between the carrying amount and the market value of investment. The impairment loss is recognised in the Statement of Financial Activities.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is recognised to the extent that the revised carrying value does not exceed what the carrying value would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Financial Activities.

Current

Investments held as current assets are revalued to market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities when the gain or loss is material.

1.7 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the Statement of Financial Activities on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1. Accounting policies (continued)

1.8 Foreign exchange differences

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation and consolidation are included in the Statement of Financial Activities for the period.

1.9 Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Buildings	Over useful economic life of 30 years
Solar system	Over useful economic life of 35 years
Plant and machinery	6.67%, 12.5% and 20% straight line
Computer equipment	33% straight line
Office equipment	20% straight line

1.10 Other non-current assets

Other non-current assets are term deposits pledged against loans and therefore not freely available for the use of the group.

1.11 Inventories

Inventories are held at the lower of stock and net realisable value.

1.12 Cash at bank and in hand

Cash at bank and in hand represents cash held for working capital purposes and in interest free bank current accounts.

1.13 Financial instruments

The Foundation has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Foundation’s balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1. Accounting policies (continued)

1.13 Financial instruments (continued)

Basic financial assets
Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities
Basic financial liabilities, including trade and other payables and loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the Foundation's contractual obligations expire or are discharged or cancelled.

1.14 Provisions

Under Indian law it is mandatory for the employee who has completed a minimum of five years in service to receive a gratuity, therefore the provision in the accounts represent this liability.

2. Critical accounting estimates and judgements

In the application of the Foundation's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of 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 estimate is 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.

Valuation of investments
Investments held as non-current assets per note 12 are stated at cost of €4,503,733 less an accumulated impairment of €1,607,846. The Trustees engaged an independent merchant bank to perform a valuation of the Foundation's subsidiary. Although the Trustees appreciate that valuations of unquoted companies can be subjective, they believe the carrying value of the investment, following the impairments, to be in line with the current valuation of the subsidiary.

3. Donations

	Unrestricted funds €	Restricted funds €	31 March 2022 €	31 March 2021 €
Mlinda USA	-	-	-	200,000
The Lorelei Trust	100,000	-	100,000	-
Others	34	-	34	1,020
	100,034	-	100,034	201,020
For the period ended 31 March 2021	-	201,020	-	201,020

4. Income from other activities

The wholly owned trading subsidiary, Mlinda Sustainable Environment Private Ltd is incorporated in India.

A summary of the financial performance of this subsidiary alone is set out below:

	31 March 2022 €	31 March 2021 €
Turnover	315,124	428,319
Administration expenses	(772,144)	(1,143,235)
Net loss before tax	(457,020)	(714,916)
Taxation*	118,707	177,620
Net loss after tax retained in the subsidiary	(338,313)	(537,296)

The assets and liabilities of the subsidiary were:

Fixed assets	3,318,291	2,639,718
Current assets	1,186,812	372,803
Current liabilities	(228,157)	(105,233)
Provisions and non-current liabilities	(1,492,829)	(46,348)
Total net assets	2,784,117	2,860,940
Aggregate share capital and reserves	2,784,117	2,860,940

* *not recognised in the group financial statements*

Expenditure of €742,624 on activities and €43,460 on fixed assets was funded by a grant from IKEA Foundation to fund scaling and replication activities.

4. Income from other activities (continued)

Details of the Foundation's subsidiary at 31 March 2022 is as follows:

Name of undertaking	Registered Office	Nature of business	Class of shares held	% Held Direct
Mlinda Sustainable Environment Private Ltd	Ground Floor – Flat No 1, 41 B/5, Gariahat Road South, Kolkata – 700031, India	Sustainable Development	Ordinary shares	100.00

5. Charitable activities

	31 March 2022 €	31 March 2021 €
Wages and related costs	223,466	186,954
Staff recruitment costs	-	47,611
Telecommunications	710	1,897
Consultancy fees	-	6,600
Travelling expenses	5,069	-
Office supplies	4,087	4,747
Bank charges	27,695	27,351
Insurance	3,407	3,232
IT costs	9,417	3,899
General expenses	1,537	2,100
	275,388	284,391
Governance costs (see note 6)	100,952	125,414
	376,340	409,805

Charitable activities		
Unrestricted funds	365,922	-
Restricted funds	10,418	409,805
	376,340	409,805

6. Governance costs

	31 March 2022 €	31 March 2021 €
Audit fees	27,179	23,474
Non-audit fees payable to the auditor	-	11,737
Legal and professional fees	37,273	53,703
Loan interest	36,500	36,500
	100,952	125,414

7. Trustees

During the year, €7,054 (2021: €6,664) was paid to Sally Chandler, a trustee of the Foundation, for legal and professional services rendered.

8. Employees

Number of employees
The average monthly number of employees during the period was 45 (2021: 52).

Employment costs	31 March 2022 €	31 March 2021 €
Wages	126,487	381,115
National insurance	9,792	22,677
Pensions	87,187	68,996
Redundancies	-	188,211
	223,466	660,999

The number of employees whose annual remuneration was €60,000 or more were:

	31 March 2022 Number	31 March 2021 Number
€60,000 - €90,000	1	1
€150,000 - €160,000	1	1

Payments to key management personnel during the year totalled €222,335 (2021: €374,666), including the redundancy payments of €nil (2021: €188,211).

9. Other gains/(losses)

	31 March 2022 €	31 March 2021 €
Foreign exchange gains/(losses)	83,914	(121,345)

10. Tangible fixed assets

Group	**Plant and machinery €**
Cost or valuation	
At 1 April 2021	2,546,871
Additions	207,596
At 31 March 2022	**2,754,467**
Depreciation	
At 1 April 2021	392,764
Charge for the period	201,973
At 31 March 2022	**594,737**
Net book value	
At 31 March 2022	**2,159,730**
At 31 March 2021	2,154,107

The Foundation had no tangible fixed assets during the current or comparative periods.

11. Intangible assets

Group	**Intangible assets €**
Cost or valuation	
At 1 April 2021	16,884
Disposal	(16,884)
At 31 March 2022	**-**
Carrying amount	
At 31 March 2022	**-**
At 31 March 2021	16,884

The Foundation had no intangible fixed assets during the current or comparative periods.

12. Investments

Foundation	**Subsidiaries**
	€
Cost or valuation	
At 1 April 2021	3,359,785
Additions	-
Impairment	(463,898)
At 31 March 2022	**2,895,887**
Carrying amount	
At 31 March 2022	**2,895,887**
At 31 March 2021	3,359,785

The Foundation's investment in MPL was impaired by €463,898 in the year. See note 2 for further details.

The group had no fixed asset investments during the current or comparative periods

13. Trade and other receivables

	Group		**Foundation**	
	31 March 2022	**31 March 2021**	**31 March 2022**	**31 March 2021**
	€	**€**	**€**	**€**
Amount receivable	102,587	7,043	625,000	-
Short term loans and advances	28,256	30,607	-	-
Prepayments	9,526	5,642	4,531	3,476
	140,369	43,292	629,531	3,476

14. Creditors: amounts falling due within one year

	Group		**Foundation**	
	31 March 2022	**31 March 2021**	**31 March 2022**	**31 March 2021**
	€	**€**	**€**	**€**
Borrowings	1,025,000	508,981	1,025,000	500,000
Payable for capital expenditure	1,901	7,276	-	-
Accrued expenses	76,830	142,665	56,732	97,377
Statutory dues	2,763	14,434	-	-
Other payables	169,961	29,254	-	-
	1,276,455	702,610	1,081,732	597,377

15. Non-current liabilities

	Group		Foundation	
	31 March 2022 €	31 March 2021 €	31 March 2022 €	31 March 2021 €
Borrowings	2,961,160	2,042,496	2,000,000	2,000,000

Included in borrowings are two term loans from Indian Renewable Energy Development Agency Limited (IREDA), a Government of India Enterprise to Mlinda Sustainable Environment Private Limited:

1) Project No 2402 secured on all movable assets of the project and a charge on surplus revenue generated from the 17 village mini grids installed and commissioned by the company. Borrowings outstanding at the balance sheet date were €396,256 and interest was payable on the loan at a rate of 11.5% per annum and due for repayment by 3 March 2029.

2) Project No 2572 secured on all movable assets of the project, a charge on the Trust and Retention account and a negative lien on the shares of the company. Borrowings outstanding at the balance sheet date were €550,483 and interest was payable on the loan at a rate of 11.5% per annum and due for repayment by 3 March 2029.

Included in other non-current assets is a €642,072 term deposit held by IREDA which is pledged against the borrowings noted above.

16. Analysis of net (liabilities)/assets between funds

Group	Unrestricted funds €	Restricted funds €	Total €
Fund balances at 31 March 2022 are represented by:			
Fixed assets	2,817,019	-	2,817,019
Current assets	1,395,046	-	1,395,046
Creditors: amounts falling due within one year	(1,276,455)	-	(1,276,455)
Creditors: amounts falling due in more than one year	(2,961,160)	-	(2,961,160)
Provisions for liabilities	(7,766)	-	(7,766)
	(33,316)	-	(33,316)

Foundation	Unrestricted funds €	Restricted funds €	Total €
Fund balances at 31 March 2022 are represented by:			
Investments	2,895,887	-	2,895,887
Current assets	733,234	-	733,234
Creditors: amounts falling due within one year	(1,081,732)	-	(1,081,732)
Creditors: amounts falling due in more than one year	(2,000,000)	-	(2,000,000)
	547,389	-	547,389

17. Restricted Funds

Group and Foundation	**Restricted funds €**
Restricted funds brought forward at 1 April 2021	10,418
Expenditure	(10,418)
Restricted funds carried forward at 31 March 2022	-

The remaining restricted funds from 2021 were utilised in the current year for the Rural Electrical Project in Jharkhand.

18. Unrestricted funds

Foundation

	Unrestricted funds €
Unrestricted funds brought forward at 1 April 2021	1,277,175
Impairment	(463,898)
Net expenditure	(265,888)
Unrestricted funds carried forward at 31 March 2022	547,389

The Foundation's investment in MPL was impaired by €463,898 in the year. See note 2 for further details.

The movement in the Groups unrestricted funds is shown in the consolidated Statement of Financial Activities on page 12.

19. Operating lease commitments

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31 March 2022 €	**31 March 2021 €**
Within one year	10,985	13,896
Between two and five years	38,873	42,947
After five years	83,922	91,691
	133,780	148,534

20. Related party transactions

i) During the year, a further loan of €525,000 (2021: €500,000) was received from Ironie 19 Limited, a private limited company registered in the UK, with a director who is a trustee of the Foundation. At the year end, the total amount repayable was €1,875,000 (2021: €1,350,000). The loan is interest bearing at a fixed rate of 3%, with interest of £25,500 (2021: €26,500) charged during the year. At the year end the group owed accrued interest of €6,584 (2021: €50,846).

ii) At the balance sheet date €550,000 (2021: €550,000) was owed to The Lorelei Trust, a trust based in Ireland of which the Foundation is a beneficiary, as a loan to help fund the charitable activities of the Foundation. The loan is interest bearing at a rate of 2% above Euribor, with interest of €11,000 (2021: €11,000) charged during the year. At the year end the group owed accrued interest of €2,712 (2021: €2,712).

During the year, the Foundation earned donations totalling €100,000 (2021: €nil) from The Lorelei Trust. At the year end the Foundation was owed €100,000 (2021: €nil).

iii) During the prior year, the Foundation earned donations totalling €200,000 from Mlinda USA, a charity with common Trustees.

21. Financial activities of the Foundation

The financial activities shown in the consolidated statement of financial activities include those of the Foundation's wholly owned subsidiary.

A summary of the financial activities undertaken by the Foundation, as an individual undertaking, is as set out below:-

	2022	2021
	€	€
Income from donations	100,034	201,020
Expenditure on charitable activities	(376,340)	(409,805)
Total	(276,306)	(208,785)
Impairment of investment	(463,898)	(1,143,948)
Net deficit	**(740,204)**	**(1,352,733)**
Total funds brought forward	1,287,593	2,640,326
Total funds carried forward	**547,389**	**1,287,593**
Represented by:		
Unrestricted funds	547,389	1,277,175
Restricted funds	-	10,418
	547,389	**1,287,593**

Accounts

Charity Registration No. 1163028

MLINDA FOUNDATION CIO

ANNUAL TRUSTEES’ REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

MLINDA FOUNDATION CIO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Sally Chandler Richard Azarnia Liesl Maria Patricia Eisenbeiss Andrew Giles Pedder Davies (Appointed 16 June 2020) Sirv Mahesh Chibber (Appointed 20 November 2020)
Charity registration number	1163028
Principal address	Devonshire House 1 Devonshire Street London W1W 5DR
Auditor	Citroen Wells Devonshire House 1 Devonshire Street London W1W 5DR
Bankers	Marcard, Stein & Co AG Ballindamm 36 20095 Hamburg Germany

MLINDA FOUNDATION CIO

CONTENTS

The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Foundation'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 (FRS 102)".

The Trustees who served during the year were:

Sally Chandler	
Richard Azarnia	
Liesl Maria Patricia Eisenbeiss	
Andrew Giles Pedder Davies	(Appointed 16 June 2020)
Sirv Mahesh Chhibber	(Appointed 20 November 2020)
Rebecca Symington	(Resigned 8 June 2020)

WHY WE ARE HERE

More than 734 million people still live in extreme poverty today, struggling to fulfil the most basic needs like health, education, and access to water and sanitation.

Over the course of the last generation, economic growth has helped more than a billion people leave the most destitute living conditions behind. But while consumption and production drive the global economy and lift people out of poverty, they deplete the earth's resources and cause harmful greenhouse gas emissions. They threaten everything we care about: well-being, security, culture, landscape, and financial stability.

Mlinda works in developing countries to create economic growth while reducing the threat of wasteful production and consumption. We build market-based solutions that are self-sustaining, replicable, and scalable.

In the year under review, Mlinda continued to focus on achieving these objectives through its rural electrification programme implemented in the state of Jharkhand in India.

OBJECTIVES & ACTIVITIES

Mlinda's objectives are to promote, for the benefit of the public, conservation, protection and improvement of the physical and natural environment. In particular the Foundation aims to educate the public about climate change and depletion of natural resources, to encourage organisations to undertake systemic change in their production processes and to transform individual behaviour and modes of consumption. The focus to date has been on the investment into research and development of a scalable and replicable model of rural electrification using renewable energy in rural India.

Mlinda aims to raise income to support its objects as the Trustees see fit. The Foundation receives grants from other institutions with a view to donating monies received to Mlinda Charitable Trust and investing in Mlinda Sustainable Environment Private Limited, both of which are based in India to deliver the rural electrification programme.

The Trustees have regard to the Charity Commission's public benefit guidance when making decisions to which the guidance is relevant. During the year under review, the Trustees consider the Foundation met the public benefit requirement through the expansion of its rural electrification programme in the state of Jharkhand, India. The supply of clean electricity is a catalyst to drive sustainable economic and social benefits. We create long-term improvement in the lives of communities by providing the reliable energy, finance and expertise upon which to build a financially and environmentally sustainable economy.

ACHIEVEMENTS AND PERFORMANCE

India has halved its poverty rate since the 1990's. Part of this story has been India's unprecedented progress towards universal electricity provision. However, this hides many challenges to access to quality and reliable energy for the most marginalised. At the start of Mlinda's project, as many as 52% of all households in Jharkhand were unable to rely on electricity in any meaningful way. They could not rely on the national grid for developing business and increasing incomes.

Mlinda seeks to increase access to energy to enable India's most marginalised communities to grow sustainable livelihoods, while also reducing CO2 emissions. The rural communities in Jharkhand have average annual household incomes equivalent to less than 700 Euros.

Mlinda's village-wide mini-grids provide metered energy which is paid for by households. We offer business advisory support to help villagers to develop their agribusinesses and train local villagers to repair and maintain their energy service network.

Renewable energy activities began in 2011 with small solar rooftop systems shared between families in the mangrove areas of the Sunderbans of southern West Bengal. In 2013, Mlinda expanded to northern areas of West Bengal, later moving into Jharkhand in 2015.

In 2016 Mlinda began installing village-wide solar powered mini-grids in Jharkhand. By the end of March 2021, Mlinda had installed and commissioned solar powered mini-grids in 44 villages with a total installed base of 1037 kWp, electrifying over 7,200 households. Our direct beneficiaries include women, children, farmers, entrepreneurs, school and health centres. Around 41,000 individuals are connected to our electricity.

THE MODEL

Mlinda's model for mini-grid installation and support to the community is anchored in close ties with villagers, and a deep understanding of their energy needs.

Mlinda designs, installs and operated mini-grids in the villages then supports the community to make transition from diesel and kerosene to renewable energy.

<u>Mlinda installs and operates mini-grids</u>

- Each system is between 20-30 kWp, solar powered with diesel generator connected for peak load management and back-up for outages.
- The consumers pay for upfront connection fees and then pay for energy usage through pre-paid meters.
- Part time engineers and one full time operator stay in the villages and work with the communities, individual entrepreneurs, women's self-help groups, farmer groups, to convert diesel to electric devices. These close ties ensure that relations of trust are built and maintained with the community and that a quality service is provided.
- Local operators are also trained in repair and maintenance of the mini-grids.
- The grids are designed to increase in capacity as demand grows. Several grids have had modular expansions of up to 15 kWp so far.

<u>Mlinda supports agricultural producers and entrepreneurs</u>

- Mlinda grows demand responsibly, ensuring it is based on low energy devices.
- Mlinda provides loans to farmers to finance energy efficient devices to accelerate uptake.
- Mlinda also incubates agri-businesses such as oil expelling, mini cold storage, and electrification of poultry coops in the villages.
- There has been a large increase in productive activities powered by our mini-grids.
- The number of non-farm productive activities powered by mini-grids such as grocery shops customer service centres, metal fabrication units, air compressors, freezers, sewing machines, construction materials manufacturing etc. have increased.

- Some new non-farm uses of the mini-grids such as music amplifier sets as part of entertainment services for social events have sprung up. The number of government and private health centres powered by Mlinda mini-grids have also increased.

In order to diversify economic activities in the villages, it is essential to support the non-farm sector: pre-existing activities such as shops, eateries, welding units etc. as well as new activities such as digital dispensaries, e-schools, non-farm manufacturing units. Mlinda works to convert the pre-existing activities from kerosene and diesel to clean and reliable energy. We research additional sectors such as health, education and non-farm manufacturing centres to diversify economic development.

2020-21 ACTIVITY

In 2020-21, Mlinda's progress towards the target of 50 villages electrified was impacted by the Covid-19 pandemic. Procurement was completed on four villages just before lockdown struck in India in March 2020. These were finally commissioned in January 2021, taking the total of electrified villages to 44. Further expansion has been deferred until 2022, given the current uncertainties created by the pandemic.

By the end of March 2021, Mlinda had installed and commissioned solar powered mini-grids in 44 villages with a total installed base of 1037 kWp, electrifying over 7,200 households and over 990 productive loads. We have achieved a reduction in greenhouse gas emissions of 1,054 tons pa and a reduction in diesel/kerosene usage of 185,776 ltrs.

STRUCTURE GOVERNANCE AND MANAGEMENT

Mlinda Foundation CIO (MUK) is a Charitable Incorporated Organisation in England. The governing document is the Foundation's Constitution dated 17 June 2015. Mlinda is governed by a board of Trustees which has ultimate responsibility for directing strategy and overseeing performance of the Foundation. The constitution requires a minimum of two and a maximum of five Trustees. Trustees are elected for a period of five years and five served during the reporting period. The Board of Trustees retain oversight via quarterly reports which cover key performance objectives and financial performance and are the basis for decision making. These reports are considered at the regular board meetings which take place quarterly. In addition, informal meetings are held from time to time if required.

Trustees have been recruited to date because they are known to current board members, have an interest in the Foundation's objectives and have skills, experience and knowledge that the board needs. Mlinda has developed an induction pack for new trustees.

Day to day management of Mlinda Foundation CIO (MUK) was delegated to Wayne Myslik, Executive Director.

The Foundation has a wholly owned subsidiary, Mlinda Sustainable Environment Private Limited ("MPL"). MPL is a Limited company, registered in India, and is responsible for the technical delivery of the Electrification Programme in rural Jharkhand. The subsidiary sub-contracts the supply, installation and operation of the mini-grids. The Foundation has invested in the equity of MPL to date to provide working capital. The Trustees believe that this investment is vital to establish, long term, Mlinda's objective of a scalable and replicable model of rural electrification with the long-term aim of generating unrestricted income for the Foundation to further its objectives.

Mlinda has a partnership with Mlinda Charitable Trust (MCT), a charity registered in India. MCT delivers the public benefit outcomes of the Electrification Programme. The Foundation funds MCT's programmes through grant donations against agreed programmes of work.

The Boards of MUK, MPL, and MCT entered into a Group Agreement in 2021 that outlines their commitment to work together toward a common strategic goal and sets out how decisions will be taken on group-wide issues.

By agreement with the boards of MPL and MCT, the MUK Executive Director serves as supervisor of the General Managers of MPL and MCT. This ensures consistent oversight across the group.

Two MUK Trustees sit on the board of MPL, together with two independent Indian Directors. The MUK Executive Director will join the board in 2021. MCT has three Trustees.

Roles and objectives of key management personnel of the Foundation and subsidiary are defined in conjunction with the strategic objectives of Mlinda and pay and conditions benchmarked against similar roles in the sector and location. Key management personnel are the Executive Director and the Directors and General Manager of MPL.

Work to strengthen governance and management across the group continues through 2021.

There were no assets held as custodian trustee during the year.

FUNDRAISING
Mlinda does not engage in public fundraising.

FINANCIAL REVIEW
The Foundation has prepared consolidated financial statements for the year ended 31 March 2021. The group result is a deficit of €1,045,046, which includes operating losses of €714,916 in the trading subsidiary (MPL). This loss included €212,384 of costs relating to the departure of the two India Directors and recruitment of a new management team in India. Expenditure of €364,456 and capex of €224,587 was incurred on activities funded by a grant from the IKEA Foundation in 2019 to strengthen Mlinda's organisational capacity to ensure it is well positioned to deliver the core elements of the strategy for the next phase of the project

The principle funding source for the Foundation in the year consisted of a grant from Mlinda US of €200,000 and €500,000 as a short-term loan from a connected party, Ironie 19 Limited.

The Foundation invested €488,998 equity in MPL as working capital to fund capital and operational costs during the year. The investment in MPL was impaired during the year by €1,143,948, based on an independent valuation by a Merchant Bank. The Trustees believe the carrying value of the investment, following the impairment, is in line with the current valuation of the subsidiary.

INVESTMENT POLICY
Mlinda invests to a achieve both a financial return and to directly further its charitable objectives. However, investing also exposes Mlinda to risks which, if not properly managed, can affect not just the charity itself but the public's trust and confidence in the sector more generally. Because of this, Mlinda Trustees follow the guidance of the Charity Commission to ensure that investment decisions are compliant with their duties and have approved an Investment Policy which sets out what Mlinda's investment objectives are, how investment decisions are made and investment risk managed. Mlinda's Investment Policy applies to any subsidiaries of Mlinda.

PRINCIPAL RISKS & UNCERTAINTIES
The Foundation's Trustees have given consideration to the major risks to which the Foundation is exposed and satisfied themselves that systems or procedures are established in order to manage those risks

A Risk Register, supported by a Risk Management Policy and Procedure, is intended to ensure risks are proactively managed at strategic, operational and project levels. The Risk Register is an active tool to identify the possible and probable risks the Foundation may face over its working life.

Principle risks are currently identified as:

The rural electrification project reached the end of the current phase and funding plan this year. There is a cash flow risk if fundraising is delayed, and of operations ceasing, if funding the next phase is not successful. We mitigate this risk by regular review of performance against budget, of rolling cash forecasts and timely planning, next-stage project design and conversations with existing funders for the next phase.

Overseas operations carry inherent risk in that it is more difficult for the Foundation to exercise governance and oversight. There is a greater reliance on reporting and key indicators. We mitigate this risk, in addition to formal reporting against key metrics, regular contact between European and Indian management teams, both remote and face to face, and we will continue the development of systems and processes to support data collection, management and decision making.

As the rural electrification project reaches a key milestone and refocuses on replication; success will be impeded if we do not have the skills and systems that are necessary. To mitigate this risk, we see organisational development as integral to the next phase and will plan, fund and deliver key activities focussing on people (leadership & succession planning, training, capacity building) and appropriate systems and processes.

In 2020, Mlinda stepped up activities aimed at improving governance and management structures across the Mlinda group. This process was meant to recognise the growth of the organisations in size and complexity and to prepare the organisations for the shift to a replication focus. As part of this process, new leadership was installed at both Board and management levels in both MPL and MCT. Following these significant changes, Mlinda's largest donor, IKEA Foundation, commissioned an audit of the group's governance, management, and compliance matters. This audit was completed in May 2021 and included several recommendations for improvement. Mlinda has welcomed the support in strengthening the organisation and we anticipate completing all of the recommended changes by December 2021.

The Covid-19 Pandemic and the subsequent lockdown in India impacted villages in Jharkhand. Asked by the district administration, Mlinda continued to provide electricity. Demand fell away at the start of the lockdown, as households prioritized food stockpiling and savings. However, demand returned to within 25% of pre-Covid levels in April 2020 and has been maintained since. Repeated lockdowns and continued uncertainty have acted to keep demand below targeted figures in 2021, but there is steady improvement in both household and productive demand. It is a testament to the dedication and professionalism of the Mlinda's local team that, despite their own exposure to Covid-19, they kept the service running.

In addition, there has been a delay in the installation of 6 mini-grids which has subsequently affected our timeline of electrifying 50 villages by mid-2020. Uncertainty, due the Pandemic, is likely to continue through 2021. The local and national situation in India is kept under regular review and is incorporated into business continuity planning.

The impact of Covid-19 on the budget and cash-flow was also assessed. The budget has been re-forecast and the Board will monitor cash and funding as the situation unfolds. However, after an early dip, revenues recovered back to a reasonable proportion of budgeted levels and continue to improve. The greatest impact on revenues will be the delayed installation of the final grids which will defer some budgeted revenues into 2021. However, the Trustees are confident this can be managed within existing funding streams and funder relationships.

OUTLOOK FOR 2021-22

In 2022, Mlinda expects to have achieved the goal of supplying 50 villages with reliable clean energy, so this is an especially important time to review and articulate our strategy. A major piece of work, which commenced in early 2020 and will continue into 2021, is to review Mlinda's mission and strategic plan. After several years focussing on building the operations from scratch and scaling up, this with very strong utilisation and revenue levels and excellent community relations, we have learnt a great deal about how to bring clean energy to very rural villages under challenging circumstances. We aim to translate the successful solar installations into meaningful and long-lasting change for the communities we serve. This will require new organisational skills to deliver a core strategic priority to create a local economic environment conducive to sustainable growth, around two major elements – sustainable economic development and replication. This strategic plan will drive activities for the next three years, commencing in 2021.

RESERVES

The reserves policy has been set with the aim of having 3 months operating costs cover for each entity. This would enable notice period commitments to be met, should Mlinda cease to operate and to meet current liabilities. The minimum level of reserves will be kept under review as the Foundation grows and operations develop.

At the Balance Sheet date this was assessed to be €75,000 and the Foundation had net current liabilities of €72,192. However, this includes a short-term loan from a connected party, which will not be called for repayment until the Foundation has sufficient funds in place. The trustees will monitor and keep under review short-term cash needs, as the strategy and funding plan for the next three years is implemented.

The Foundation has significant long-term liabilities at the balance sheet date. However, the Trustees consider that these be excluded from the free reserves calculation as the loans will not be called for repayment unless the Foundation has sufficient funds in place.

The foundation is cognisant of the funding needs of its subsidiary and the grant commitment to Mlinda Charitable Trust for the current project and will ensure that they have sufficient resources for 3 months operating cost cover, to enable them to put alternative funding arrangements in place should the Foundation cease to operate. Based on the 2021 budgets for each entity, these are €107,000 and €32,000 respectively. At the balance sheet date free cash balances for each entity were €292,412 and €300,635 which were sufficient to cover this requirement.

PENSION LIABILITIES
The Foundation operates a defined benefit pension scheme with NEST for two employees who are based in the UK. At the balance sheet date accrued contributions were €0 (2020: €660).

FUNDS IN DEFICIT
The Foundation's subsidiary, MPL, posted a deficit of €537,296 in the year. This included costs relating to management transition and work towards developing the core capabilities to deliver the planned strategy for 2021 and beyond. Despite this deficit, MPL had net current assets of €221,232 and total net assets of €2,860,940 at the balance sheet date. The Trustees will monitor and keep under review future performance and funding needs against the rural electrification project long term budget.

GOING CONCERN
At the time of approving the financial statements, the Trustees have a reasonable expectation that the Foundation has adequate resources to continue to operate for the foreseeable future.

In order to fund the project work in India, loans from a connected Trust (the Lorelei Trust) and a connected limited company registered in England (Ironie 19) were received to meet early costs, with the expectation that these will be repaid from future income streams arising from profits generated in the subsidiary. The timelines for this have been affected by the Covid-19 pandemic, however the trustees are confident that, with a repositioning of strategy towards economic development conducive to sustainable growth, this will in turn enable MPL to reach profitability. The long term forecast for MPL will be developed in 2021 on the back of the 2021-24 strategy and budget.

The loan from Lorelei Trust is not repayable for 8 years. The long-term facility with Ironie 19 is not repayable until 2032 and was fully drawn at the balance sheet date. Ironie 19 made a further loan of €500,000 in the year, with the option to convert the loan to shares in MPL.

The Lorelei Trust and Ironie 19 have confirmed their support for the foreseeable future. As with any entity placing reliance on connected entities for financial support, the trustees acknowledge that there can be no certainty that this support will continue, although at the date of approval of these audited financial statements, there is no reason to believe they will not do so.

Based on this undertaking the Trustees believe it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources and application of resources of the Foundation for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles of the Charities 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 Foundation will continue in operation.

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

Auditor

Citroen Wells, Statutory Auditors were re-appointed as auditor to the Foundation and a resolution proposing that they be reappointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' Report was approved by the Board of Trustees on 17/9/2021 ………………….

Sally Chandler

Sally Chandler – Trustee

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF MLINDA FOUNDATION CIO**

Opinion
We have audited the financial statements of Mlinda Foundation CIO ('The Foundation') and its subsidiary (the 'Group') for the year ended 31 March 2021, which comprise the Consolidated Statement of Financial Activities, the Group and Foundation Balance Sheets, the Consolidated Cash Flow Statement and notes 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and The Foundation's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis 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 Auditor's responsibilities for the audit of the financial statement section of our report. We are independent of the Group and The Foundation 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
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or The Foundation's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees' are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

Responsibilities of Trustees
As explained more fully in the Statement of Trustees' Responsibilities, as set out on page 7, the Trustees' 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 Group'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 or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 152 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework being 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 (FRS102), the CIO's constitution, the Charities Act 2011, The Indian Foreign Contribution (Regulation) Act, 2010 and the relevant direct and indirect tax compliance regulation in the United Kingdom and India.

- We understood how the Group is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance and local management in the jurisdictions in which the Group operates. We corroborated our understanding by reviewing supporting documentation including trustee meeting minutes.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating revenue recognition as a fraud risk. We performed journal entry testing by specific risk criteria, with a focus on journals indicating large or unusual transactions based on our understanding of the business. We tested completeness of income through substantive tests performed and cut off tests on the revenue recognised.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expenses and review of trustee meeting minutes.
- The Foundation is a regulated entity under the supervision of the Charities Commission. As such, the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

Use of our report

This report is made solely to the 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 Trustees' 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 Foundation and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Citroen Wells

Citroen Wells

17/9/2021

Chartered Accountants
Statutory Auditor

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Devonshire House
1 Devonshire Street
London
W1W 5DR

MLINDA FOUNDATION CIO

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds €	Restricted funds €	Total 31 March 2021 €	Total 31 March 2020 €
Income from:					
Donations	**3**	-	201,020	201,020	2,570,436
Income from other trading activities:					
Commercial trading operations	**4**	428,319	-	428,319	433,912
					3,004
Total income		428,319	201,020	629,339	3,004,348
Expenditure on:					
Raising funds:					
Commercial trading operations	**4**	1,143,235	-	1,143,235	1,008,100
Charitable activities	**5**	-	409,805	409,805	950,692
Total expenditure		1,143,235	409,805	1,553,040	1,958,792
Net (expenditure)/income for the period		(714,916)	(208,785)	(923,701)	1,045,556
Other losses	**10**	(121,345)	-	(121,345)	(169,806)
Net movement in funds		(836,261)	(208,785)	(1,045,046)	875,750
Reconciliation of funds:					
Total funds brought forward		1,453,167	219,203	1,672,370	796,620
Total funds carried forward		616,906	10,418	627,324	1,672,370

MLINDA FOUNDATION CIO

BALANCE SHEETS
AS AT 31 MARCH 2021

	Notes	Group 31 March 2021 €	Group 31 March 2020 €	Foundation 31 March 2021 €	Foundation 31 March 2020 €
Fixed assets					
Tangible assets	**11**	2,154,107	2,078,598	-	-
Intangible assets	**12**	16,884	-	-	-
Investments	**13**	-	-	3,359,785	4,014,735
Capital Work in Progress		52,283	193,177	-	-
Long term loans and advances		10,845	4,740	-	-
Other non-current assets		34,262	38,238	-	-
		2,268,381	2,314,753	3,359,785	4,014,735
Current assets					
Inventories		2,704	31,974	-	-
Trade and other receivables	**14**	43,292	84,599	3,476	4,423
Cash at bank and in hand		814,121	953,725	521,709	692,503
Investments		247,784	610,015	-	-
		1,107,901	1,680,313	525,185	696,926
Current liabilities	**15**	(702,610)	(254,796)	(597,377)	(71,335)
Net current assets/(liabilities)		405,291	1,425,517	(72,192)	625,591
Total assets less current liabilities		2,673,672	3,740,270	3,287,593	4,640,326
Non-current liabilities	**16**	(2,042,496)	(2,055,630)	(2,000,000)	(2,000,000)
Provisions for liabilities		(3,852)	(12,270)	-	-
Net assets		627,324	1,672,370	1,287,593	2,640,326

BALANCE SHEETS (Continued)
AS AT 31 MARCH 2021

	Notes	Group 31 March 2021 €	Group 31 March 2020 €	Foundation 31 March 2021 €	Foundation 31 March 2020 €
The funds of the Foundation	**17**				
Restricted funds	**18**	10,418	219,203	10,418	219,203
Unrestricted income funds	**19**	616,906	1,453,167	1,277,175	2,421,123
		627,324	1,672,370	1,287,593	2,640,326

The financial statements were approved by the Trustees on 17/9/2021

Sally Chandler

Sally Chandler - Trustee
Charity registration number: 1163028
MLINDA FOUNDATION CIO

MLINDA FOUNDATION CIO

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	31 March 2021 €	€	31 March 2020 €	€
Net cash generated by operating activities	**22**		(213,449)		1,287,096
Investing activities					
Purchase of tangible fixed assets		(249,091)		(1,380,369)	
Purchase of intangible fixed assets		(16,884)		-	
Sale/(purchase) of investment		362,231		(158,542)	
			96,256		(1,538,911)
Financing activities					
Loan (repayments)/borrowings		(13,134)		955,630	
Term deposit pledged against loans		3,976		(38,238)	
Loan interest		(13,253)		(5,216)	
			(22,411)		912,176
Change in cash and cash equivalents in the period			(139,604)		660,361
Cash and cash equivalents brought forward			953,725		293,364
Cash and cash equivalents carried forward			814,121		953,725

1. Accounting policies

The Mlinda Foundation ('the Foundation') is a Charitable Incorporated Organisation registered in England and Wales. The Foundation's registered address is Devonshire House, 1 Devonshire Street, London, W1W 5DR. The nature of the Foundation's operations and principal activities are set out in the Trustees' Report.

The Group consists of the Mlinda Foundation and it's wholly owned subsidiary Mlinda Sustainable Environment Private Ltd ('MSEP'). The subsidiary is based and registered in India.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Foundation's governing document, the Charities Act 2011 and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)' (as amended for accounting periods commencing from 1 January 2019).

These financial statements consolidate the results of the Foundation and its wholly owned subsidiary, MSEP, on a line by line basis. Transactions and balances between the Trust and its subsidiary have been eliminated from the consolidated financial statements. The Foundation constitutes a public benefit entity as defined by FRS 102.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. The financial statements are prepared in euros, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest €.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. In order to fund the project work in India, loans have been received from connected parties. The Foundation has received confirmation from connected parties of their support for the foreseeable future. As with any entity placing reliance on connected entities for financial support, the trustees acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. Based on this undertaking the trustees believe that it remains appropriate to prepare the financial statements on a going concern basis.

1.3 Reporting period

The comparative figures in these financial statements cover the 15 month period 1 January 2019 to 31 March 2020. The current reporting period is the year end 31 March 2021.

1. Accounting policies (continued)

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.5 Income recognition

Income is recognised when the Group is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received. Cash donations are recognised on receipt.

Other donations are recognised once the Group has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.6 Expenditure recognition

Resources expended are included in the Statement of Financial Activities on an accruals basis. Grants awarded are charged in the period when the offer is conveyed to the recipient, irrespective of the period covered by the grant, such grants being recognised as expenditure. Governance costs comprise all costs involving the public accountability of the Foundation and its compliance with regulation and good practice.

1.7 Investments

Non-current

Fixed asset investments are mixed motive investments in subsidiaries, recorded at cost less impairment. A subsidiary is an entity controlled by the Foundation. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

At the end of each reporting period investments measured at amortised cost are assessed for objective evidence of impairment. If an investment is impaired the impairment loss is the difference between the carrying amount and the market value of investment. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is recognised to the extent that the revised carrying value does not exceed what the carrying value would have been had the impairment not previously been recognised. The impairment reversal is recognised in the profit or loss

Current

Investments held as current assets are revalued to market value at the balance sheet date and the gain or loss taken to the statement of financial activities, when the gain or loss is material.

1.8 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1. Accounting policies (continued)

1.9 Foreign exchange differences

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation and consolidation are included in the statement of financial activities for the period.

1.10 Tangible fixed assets and depreciation

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Buildings	Over useful economic life of 30 years
Solar system	Over useful economic life of 35 years
Plant and machinery	6.67%, 12.5% and 20% straight line
Computer equipment	33% straight line
Office equipment	20% straight line

1.11 Other non-current assets

Other non-current assets are term deposits pledged against loans and therefore not freely available for the use of the group.

1.12 Inventories

Inventories are held at the lower of stock and net realisable value.

1.13 Cash at bank and in hand

Cash at bank and in hand represents cash held for working capital purposes and in interest free bank current accounts.

1.14 Financial instruments

The Foundation has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Foundation’s balance sheet when the Foundation becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1. Accounting policies (continued)

1.14 Financial instruments (continued)

Basic financial assets
Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities
Basic financial liabilities, including trade and other payables and loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the Foundation‘s contractual obligations expire or are discharged or cancelled.

1.15 Provisions

Under Indian law it is mandatory for the employee who have completed a minimum of five years in service to receive a gratuity, therefore the provision in the accounts represent this liability.

2. Critical accounting estimates and judgements

In the application of the Foundation’s accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of 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 estimate is 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.

Valuation of investments
Investments held as non-current assets per note 13 are stated at cost of €4,503,733 less a current year impairment of €1,143,948. The trustees engaged an independent merchant bank to perform a valuation of the Foundation’s subsidiary. Although the trustees appreciate that valuations of unquoted companies can be subjective, they believe the carrying value of the investment, following the impairment, to be in line with the current valuation of the subsidiary.

3. Donations

	Restricted funds €	31 March 2021 €	31 March 2020 €
Mlinda USA	200,000	200,000	-
Ikea Foundation	-	-	2,392,500
OFID	-	-	177,936
Others	1,020	1,020	-
	201,020	201,020	2,570,436
For the period ended 31 March 2020	2,570,436	-	2,570,436

4. Income from other activities

The wholly owned trading subsidiary, Mlinda Sustainable Environment Private Ltd is incorporated in India.

A summary of the financial performance of this subsidiary alone is set out below:

	31 March 2021 €	31 March 2020 €
Turnover	428,319	433,912
Administration expenses	(1,143,235)	(1,008,100)
Net loss before tax	(714,916)	(574,188)
Taxation*	177,620	193,719
Net loss after tax retained in the subsidiary	(537,296)	(380,469)

The assets and liabilities of the subsidiary were:

Fixed assets	2,639,718	2,508,470
Current assets	372,803	983,387
Current liabilities	(105,233)	(183,461)
Provisions and non-current liabilities	(46,348)	(67,900)
Total net assets	2,860,940	3,240,496
Aggregate share capital and reserves	2,860,940	3,240,496

* *not recognised in the group financial statements*

Expenditure of €1,184,646 on activities and on fixed assets of €118,359 relates to the delivery of the Rural Electrification Project in Jharkhand, India for the year to 31 March 2021. A further €364,456 related to activities and €224,587 to fixed assets funded by a grant received from IKEA to fund scaling and replication activities.

4. Income from other activities (continued)

Details of the Foundation's subsidiary at 31 March 2021 is as follows:

Name of undertaking	Registered Office	Nature of business	Class of shares held	% Held Direct
Mlinda Sustainable Environment Private Ltd	Ground Floor – Flat No 1, 41 B/5, Gariahat Road South, Kolkata – 700031, India	Sustainable Development	Ordinary shares	100.00

5. Charitable activities

	31 March 2021 €	31 March 2020 €
Wages and related costs	186,954	107,999
Staff recruitment costs	47,611	30,453
Telecommunications	1,897	6,972
Consultancy fees	6,600	34,162
Travelling expenses	-	20,528
Office supplies	4,747	3,741
Bank charges	27,351	9,048
Insurance	3,232	2,502
IT costs	3,899	3,018
General expenses	2,100	119
	284,391	218,542
Grant funding of activities (see note **6**)	-	422,146
Governance costs (see note **7**)	125,414	310,004
	409,805	950,692

6. Grants

The grant funding of the activities comprised the following:

	31 March 2021 €	31 March 2020 €
Grants to institutions	-	422,146

There were no grants (2020: €422,146) paid to, or on behalf of, Mlinda Charitable Trust, a Trust related to the Foundation, and registered in India.

7. Governance costs

	31 March 2021 €	31 March 2020 €
Audit fees	23,474	31,887
Non-audit fees payable to the auditor	11,737	19,624
Legal and professional fees	53,703	52,165
Administrative costs	-	175,000
Loan interest	36,500	31,328
	125,414	310,004

8. Trustees

During the year, €6,664 (2020: €9,356) was paid to Sally Chandler, a trustee of the Foundation, for legal and professional services rendered.

9. Employees

Number of employees
The average monthly number of employees during the period was 52 (2020: 49).

Employment costs	31 March 2021 €	31 March 2020 €
Wages	381,115	499,664
National insurance	22,677	15,750
Pensions	68,996	2,398
Redundancies	188,211	-
	660,999	517,812

The number of employees whose annual remuneration was €60,000 or more were:

	31 March 2021 Number	31 March 2020 Number
€80,000 - €90,000	1	1
€90,000 - €100,000	-	1
€150,000 - €160,000	1	-

Payments to key management personnel during the year totalled €374,666 (2020: €218,919), including the redundancy payments of €188,211 (2020: €nil).

10. Other losses

	31 March 2021 €	31 March 2020 €
Foreign exchange losses	121,345	169,806

11. Tangible fixed assets

Group	Plant and machinery €
Cost or valuation	
At 1 April 2020	2,297,780
Additions	249,091
At 31 March 2021	**2,546,871**
Depreciation	
At 1 April 2020	219,182
Charge for the period	173,582
At 31 March 2021	**392,764**
Net book value	
At 31 March 2021	**2,154,107**
At 31 March 2020	2,078,598

The Foundation had no tangible fixed assets during the current or comparative periods.

12. Intangible assets

Group	Intangible assets €
Cost or valuation	
At 1 April 2020	-
Additions	16,884
At 31 March 2021	**16,884**
Carrying amount	
At 31 March 2021	**16,884**
At 31 March 2020	-

The Foundation had no intangible fixed assets during the current or comparative periods.

13. Investments

Foundation	Subsidiaries €
Cost or valuation	
At 1 April 2020	4,014,735
Additions	488,998
Impairment	(1,143,948)
At 31 March 2021	**3,359,785**
Carrying amount	
At 31 March 2021	**3,359,785**
At 31 March 2020	4,014,735

The Foundation's investment in MPL was impaired by €1,143,948 in the year. See note 2 for further details.

The group had no fixed asset investments during the current or comparative periods

14. Trade and other receivables

	Group		Foundation	
	31 March 2021 €	**31 March 2020 €**	**31 March 2021 €**	**31 March 2020 €**
Amount receivable	7,043	36,567	-	-
Short term loans and advances	30,607	37,726	-	-
Prepayments	5,642	10,306	3,476	4,423
	43,292	84,599	3,476	4,423

15. Creditors: amounts falling due within one year

	Group		Foundation	
	31 March 2021 €	**31 March 2020 €**	**31 March 2021 €**	**31 March 2020 €**
Borrowings	508,981	3,521	500,000	-
Payable for capital expenditure	7,276	43,913	-	-
Accrued expenses	142,665	107,404	97,377	71,335
Statutory dues	14,434	17,694	-	-
Other payables	29,254	82,264	-	-
	702,610	254,796	597,377	71,335

16. Non-current liabilities

	Group		Foundation	
	31 March 2021 €	31 March 2020 €	31 March 2021 €	31 March 2020 €
Borrowings	2,042,496	2,055,630	2,000,000	2,000,000

17. Analysis of net assets between funds

Group	Unrestricted funds €	Restricted funds €	Total €
Fund balances at 31 March 2021 are represented by:			
Fixed assets	2,268,381	-	2,268,381
Current assets	1,097,483	10,418	1,107,901
Creditors: amounts falling due within one year	(702,610)	-	(702,610)
Creditors: amounts falling due in more than one year	(2,042,496)	-	(2,042,496)
Provisions for liabilities	(3,852)	-	(3,852)
	616,906	10,418	627,324

Foundation	Unrestricted funds €	Restricted funds €	Total €
Fund balances at 31 March 2021 are represented by:			
Investments	3,359,785	-	3,359,785
Current assets	514,767	10,418	525,185
Creditors: amounts falling due within one year	(597,377)	-	(597,377)
Creditors: amounts falling due in more than one year	(2,000,000)	-	(2,000,000)
	1,277,175	10,418	1,287,593

18. Restricted Funds

Group and Foundation	**Restricted funds €**
Restricted funds brought forward at 1 April 2020	219,203
Mlinda USA	200,000
Other	1,020
Expenditure	(409,805)
Restricted funds carried forward at 31 March 2021	10,418

A restricted donation, totalling €200,000, was received in the year from Mlinda USA, a charity with common trustees. This donation was made to support the completion of Phase III of the rural electrification project, in Jharkhand. The donation is to be used as working capital for the project in the 2021-22 financial year, whilst work is completed on defining the next stage of the project. The donation has been used by the Foundation to fund a further equity investment into MPL.

Other restricted donations received are for the purposes of the Rural Electrification Project in Jharkhand. The restricted donations have been used for the Foundation's expenditure on charitable activities, as set out in note 5.

19. Unrestricted funds

Foundation

	Unrestricted funds €
Unrestricted funds brought forward at 1 April 2020	2,421,123
Impairment	(1,143,948)
Unrestricted funds carried forward at 31 March 2021	1,277,175

The Foundation's investment in MPL was impaired by €1,143,948 in the year. See note 2 for further details.

The movement in the Groups unrestricted funds is shown in the consolidated statement of financial activities on page 11.

20. Operating lease commitments

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31 March 2021 €	31 March 2020 €
Within one year	13,896	14,584
Between two and five years	42,947	49,876
After five years	91,691	110,744
	148,534	175,204

21. Related party transactions

i) During the year, a further loan of €500,000 (2020: €600,000) was received from Ironie 19 Limited, a private limited company registered in the UK, with a director who is a trustee of the Foundation. At the year end, the amount repayable was €1,350,000 (2020: €850,000). The loan is interest bearing at a fixed rate of 3%, with accrued interest payable of €50,846 (2020: €26,225).

ii) At the balance sheet date €550,000 (2020: €550,000) was owed to The Lorelei Trust, a trust based in Ireland of which the Foundation is a beneficiary, as a loan to help fund the charitable activities of the Foundation. The loan is interest bearing at a rate of 2% above Euribor. At the year end the trust owed accrued interest of €2,712 (2020: €2,712).

iii) During the year, the Foundation earned donations totalling €200,000 (2020: €nil) from Mlinda USA, a charity with common trustees.

22. Cash generated from operations

	31 March 2021 €	31 March 2020 €
(Deficit)/surplus for the period	(1,045,046)	875,750
Adjustments for:		
Depreciation of tangible fixed assets	173,582	210,437
Loan interest	49,753	36,544
(Decrease)/increase in provision	(8,418)	11,926
Movements in working capital:		
Decrease/(increase) in capital work in progress	140,894	(43,591)
Decrease/(increase) in stock	29,270	(31,974)
Decrease in debtors	35,202	92,567
Increase in creditors	411,314	135,437
Net cash generated by operating activities	(213,449)	1,287,096