

# **Village Service Trust**

Report and financial statements  
Year ended 31<sup>st</sup> March 2021  
Charity No. 277111

**Report of the trustees for the year ended 31<sup>st</sup> March 2021**

The trustees present their annual report and financial statements of the charity for the year ended 31<sup>st</sup> March 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and the Charities Statement of Recommended Practice (second edition, issued in October 2019 ) and Financial Reporting Standard FRS 102.

**Objectives and activities for the public benefit**

The object of the charity as expressed in its Deed of Trust is to apply the trust fund for the relief of poverty and sickness amongst the inhabitants of the villages of the deprived areas of the world. The trustees have decided to concentrate their efforts on projects in Tamil Nadu, south India, where their personal experience has shown that the work undertaken at these projects adequately and appropriately fulfils the objects of the charity.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the trust's aims and objectives, in planning future activities, and setting the grant-making policy for the year.

The trust furthers its charitable purposes for the public benefit through its grant-making policy which aims to:

- Socially and economically empower disadvantaged and marginalised women
- Form and strengthen community based organisations of disadvantaged and marginalised women
- Reduce the spread of communicable diseases – HIV and Aids, leprosy and tuberculosis
- Improve the human rights of and livelihood standards of certain deprived people, particularly the Arunthathiyar community, and indigenous people.
- Secure the rights of, improve livelihoods of, and educational support to, children from marginalised communities and children affected by HIV and Aids.

During the year Village Service Trust funded the health and development work of a number of partner organisations in south India, principally in Theni District, a deprived area in Tamil Nadu. Most of these organisations work together in a network co-ordinated by Arogya Agam, VST's chief partner. The main programme activities concern women's rights, micro-enterprise, the rights of Dalits and indigenous people, children's rights, tuberculosis control, prevention of HIV and Aids and care of people affected by HIV.

The Trust carries out this programme through partnerships with seven Indian NGOs:

Arogya Agam, (Place of Health), Andipatty, Theni district

Vasandham, (Springtime), Varasanadu, Theni district

Maitri, (Friendship), Koduvilarpatti, Theni district

Society for Rural and Environment Development, Dharumathupatti, Theni district

Mahalir Munnatra Sangam (MMS) (Women's Advancement Society), Chinnamanur, Theni district

All Rural Development and Social Construction Society (Arudecs), Bodi, Theni district

Nilgiris Wynaad Tribal Welfare Society, Ambalamoola, Nilgiris district

### **Grant-making policy**

The grant-making policy is reviewed regularly to ensure that it reflects the charity's objectives and thereby advances public benefit.

The beneficiaries of the trust's grant making programme are rural communities in Theni, Dindigul and Nilgiris districts of Tamil Nadu, in particular women, children, Dalits and tribal people, and those affected by HIV and Aids, leprosy and tuberculosis.

### **How grants are chosen and monitored**

Grants are made for programmes that either directly improve livelihoods and health, or address the causes of poor livelihoods and poor health. The programmes are monitored by reviewing reports from partner organisations and by visits made by trustees to the partners.

### **A review of the achievements and performance**

#### **Women's development**

VST helps fund a network of NGOs in Theni district that support women's self-help groups (WSHGs) and federations of WSHGs. Eight federations in the area come together under the banner of TMPI (Tamil Nadu women's movement). NGO staff provide support and training to the federations.

TMPI campaigns on issues including underage marriage, alcohol abuse, and domestic violence, and supports and monitors credit and micro-enterprise activities of WSHGs and federations.

During the year under review the work of TMPI was hampered by Covid restrictions and periods of lockdown. Nevertheless 74 instances of child marriage were addressed. Some interventions failed because of migration by the parties concerned.

The pandemic disrupted the workings of women's self-help groups. No monthly meetings were held for more than four months and disbursement of loans was interrupted.

VST contributed to a domestic violence project begun in August 2020 by its partner Arogya Agam with funding from Azim Premji Foundation. A structure for addressing domestic violence was developed building on village anti-violence committees. So far the project is working with 651 survivors, most of whom were identified through the anti-violence committees. Cases were addressed either at village level, through counselling of the husband, by police or by the district protection officer. Efforts were also made to prevent sex-selective abortion through monitoring of "at risk" families and checks on whether scan centres reveal the sex of the foetus.

Work with the self-help groups was affected by coronavirus. The government agency Nabfins suspended new loans and lack of credit led to the re-emergence of traditional money lenders. Domestic violence, child marriage and unemployment all increased.

Our partner Arogya Agam had planned to form 30 new groups during the year but only 17 were achieved. The amount of loans disbursed was less than planned. Nevertheless self-help groups linked to Arogya Agam obtained Rs. 8.4 million in loans from Nabfins, benefitting 525 women. Some 55% used the loans for small enterprises, mostly keeping dairy cows. Another Rs. 8m of loans was provided by the women's federations in Aundipatty and Kodaikanal areas.

Another partner, Vasandham, arranged various training sessions for members of self-help groups. These included sessions on domestic violence, child protection, under-age marriage, dairy, goat and poultry rearing and advice on reducing Covid risk. The federation provided Rs. 13.7m in loans to 84 self-help groups for the benefit of 262 women. Another Rs. 30.9m of loans were made from group funds. Most of the loans were for micro-enterprises, while a significant number were used for repayment of higher interest loans from other lenders. During the year the self-help groups paid a five-yearly dividend of Rs. 14.4m to their members.

VST also made small contributions to the women's programmes of three other NGOs in Theni District. The NGOs were MMS, SRED and Maitri.

During the year consideration was given to the findings of research commissioned by VST into weaknesses of self-help groups, particularly the impact of commercial micro-lenders and whether caste status affected the success of SHGs. The process of developing a programme response to the research has been delayed by the Covid pandemic.

### **Community based organisations (CBOs)**

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VST funds work by its partner Arogya Agam to provide support and training to 40 village development committees for the marginalised Arunthathiyar community. The committees take action to secure village infrastructure and welfare benefits for individuals, and take up issues of discrimination and the rights of sanitation workers. Special efforts are made to support women's self-help groups from the Arunthathiyar community.

During the year the committees pursued legal action in relation to a number of cases of discrimination. Some of these resulted in compensation for those affected; others are still pending. There has been a focus on securing higher education scholarships and reserved college places for Arunthathiyars. Other issues taken up were segregation in child care facilities, encroachment of burial grounds and underpayment of sanitation workers.

### **Child rights**

VST supports children's groups in 68 villages whose members are drawn from the Arunthathiyar community. Membership of the groups has had a big impact on their school performance with a high percentage entering higher education.

This year the children's lives have been disrupted by the closure of schools because of the pandemic. It is estimated that only half of children attended online or television classes. Children from 30 families reported incidences of domestic violence during lockdown.

Training and support for the children's groups was hampered by covid restrictions. Eight cases of child labour were addressed, with five of the children resuming education. A total of 14 under-age marriages were prevented and 11 instances of drug abuse were resolved.

### **Tribal projects**

Village Service Trust supports three projects with tribal communities. All focus on children's education, securing rights under the Forest Rights Act and obtaining welfare benefits and village infrastructure.

In Theni District VST contributes to a small project run by its partner, Arudecs, working with tribal people in eight villages. The project seeks to address issues that make it hard for children to attend school, such as lack of transport. It has formed women's self help groups and village development committees and provided training on accessing welfare schemes, housing schemes, village development schemes and documents for individuals needed to obtain benefits.

During the year many benefits were obtained: 94 families received documented ownership of their homes, 83 new houses were built by the Tribal Welfare department, and more than 70 people obtained documents that entitled them to benefits. Some 265 people received emergency Covid support from the government. Arudecs implemented the new Tribal Development programme with support from the government agency Nabard.

Education was badly disrupted by the pandemic. Many children could not attend school nor access online classes, while teachers were rarely able to enter the forest areas to hold classes.

Our partner Nilgiris Wynaad Tribal Welfare Society is based in north-west Tamil Nadu. VST funded field workers who promoted school attendance and family welfare entitlements in 50 tribal villages. This field work complements a residential school and hostel so that children from remote villages can attend school.

Its achievements during the year included obtaining ration cards for subsidised food for 149 families; inviting government officers to a special event so that they could issue identity cards needed to

obtain benefits; helping individuals secure old age and disability pensions; and providing food and other essentials to 2,000 families during Covid lockdown.

Both the hostel and residential school had to close because of the pandemic, but the project organised online classes and put on teaching sessions in the villages.

In the Palani hills project area in Dindigul district 11 new children's groups were formed bringing the total to 43. The groups were given information and advice about child rights, education, health and the environment. Schools were closed because of the pandemic and many children did not or could not access online or televised classes. Most worked instead. The disruption to education may make it difficult to get them back into school.

There are 20 women's self-help groups and 25 village development committees supported under this project. The members of these organisations submitted petitions to government officials for village and individuals' needs. Women's groups took up 22 child rights issues such as under-age marriage, sexual abuse and child labour. Work on this project was restricted by Covid lockdowns.

### **Health**

This year the Covid pandemic has had a big impact on efforts to reduce other serious infectious diseases.

In work to control tuberculosis, the programme for testing for TB from sputum samples was badly affected. There was widespread apprehension that the testing was for Covid rather than TB and a fear of being required to attend hospital. Consequently from March to September 2020 very few TB suspects were tested. However 522 people did provide samples in the Aundipatti area, and 38 were positive. These cases are monitored to ensure treatment is taken.

In addition 115 people with leprosy were monitored for complications along with provision of treatment or referral for long term consequences of leprosy.

Programmes for HIV prevention and counselling, previously funded, were not supported during the year as the partners received alternative funding.

### **Partner support**

VST provided a contribution towards staff, administrative and maintenance costs at two of its partner organisations.

### **Monitoring achievement**

The trustees monitor the performance of the programmes funded by the trust by reviewing reports from partner organisations and by making visits to the project areas. No visits in person were possible in the year under review because of Covid restrictions but online video meetings were held instead.

### **Financial review**

#### **Details of income and spending**

The trust's work is funded by donations from individuals and charitable trusts, and by dividends from its investments.

Donations from individuals totalled £33,169 compared with £34,116 the previous year. Grants from trusts of £1,000 or more amounted to £7,100 (£4,100 previous year.) Investment income was £4,927 (£5,833). Overall there was a small increase in income.

Expenditure in India amounted to £61,765, against £96,128 the previous year. This reduction was a consequence of a change to the reserves policy described below. VST's partners adjusted their programmes in the light of the lower grant levels. Spending on fundraising and publicity was £1,239, compared to £1,073 the year before. Support costs were £876 (£917), while administrative expenses

amounted to £539 (£1,488). Overall, expenditure exceeded income by £18,632 (£55,557) before taking account of net unrealised gains (£10,353).

### **Reserves**

The reserves declined during the year from £233,278 to £224,999 as a result of the excess of expenditure over income. Some £75,000 of the reserves are held within a designated fund resulting from a previous exceptional legacy. The remainder of the reserves amount to £149,999.

### **Investment policy and performance**

The policy of the trust is to invest its reserves in common investment funds designed for charities. Most of the investments are held in the ethical and property funds of the Charities Official Investment Fund, aiming to achieve a balance between the level of dividends and capital growth. It holds sufficient cash in its bank accounts for immediate needs. The value of equity funds grew by £11,973 during the year while the value of the property fund fell by £1,333.

### **Risk review and going concern**

The trustees have conducted a review of the major risks to which the charity is exposed and policies have been established to mitigate those risks. The trust has prepared cash flow plans for the next 12 months and believes that funding expected from donors and dividends together with the trust's reserves are sufficient to meet the trust's objectives up to November 2022 and beyond. The trust has internal procedures for adequate financial controls, and has in place monitoring and evaluation procedures for the programmes it finances in India.

The trustees have identified the following risks and measures to mitigate those risks:

<b>Risk</b>	<b>Mitigation</b>
Strategy for achieving objectives loses focus	Regular review of strategy
Age profile of trustees; pressure on trustees time; adequate skills coverage	Recruit new trustees
Loss of key personnel	Ensure all tasks and historical knowledge are documented
Reporting by partners	Ensure regular communication and feedback on reporting
Programmes do not fully meet objectives	Ensure objectives are clear and measured
Challenging context for Indian NGOs with foreign funding	Support partners in compliance with regulations and maintaining good relationships with officials
Potential threat to good reputation	Maintain close relationship with partners to ensure thorough safeguarding and financial controls

### **RESERVES POLICY**

The trust seeks to maintain the reserves at a constant level, adjusting its spending to achieve this. By conserving its reserves, the trust expects to achieve a stable income from investments, helping to maintain a steady level of grants to partner organisations in India for the long term. Adherence to this policy has meant a reduction in the level of grants provided to partners compared with recent years.

### **Plans for the future**

In the next 12 months, the trustees expect income to remain stable due to the large proportion of committed long term regular donors. They expect the level of grants to partners to reflect the level of trust income. As a result, they are confident that the trust can be regarded as a going concern, that there is no material uncertainty, and have confidence in its cash flow projection to November 2022 showing neither a rise nor a decline in the trust's resources.

### **Structure, governance and management**

The trust is a registered charity, number 277111, and is constituted under a trust deed dated 26 March 1979.

New trustees are appointed by the existing trustees in accordance with the Deed of Trust and serve for an unlimited period. The minimum number of trustees is five.

At the quarterly trustees' meetings, the trustees agree the broad strategy and areas of activity for the trust, including consideration of grant making, investment, reserves and risk management policies and performance. The day to day administration of grants, liaison with donors and fundraising and publicity is undertaken by the Secretary, who is also a trustee.

### **Recruitment of new trustees**

New trustees are recommended by existing trustees. Important considerations for the appointment of trustees include knowledge and experience of India, knowledge and experience of international development, knowledge and experience of fundraising and charity management. New trustees are referred to the Charity Commission's guidance for trustees and provided with recent trust minutes.

### **Key management personnel remuneration**

The trustees consider the board of trustees and the Secretary as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee is paid. Details of trustee expenses are disclosed in note 14 to the accounts.

### **Reference and administrative information**

Trustees serving during the year and since the year end:

Murali Shanmugavelan, Chair

Richard Garforth, Treasurer

Tony Huckle, Secretary

Gerti Wilford

Bryan Osbon

Carol Chalmers

David Mosse

Angela Russ

Rosie Oakley (appointed June 2020)

Sophie Walker (appointed March 2020 )

Catriona Fox (resigned September 2020)

### **UK office and management**

The programme management and general administration is undertaken by the Secretary from an office in Cambridgeshire.

Office address: 68 High Street, Hail Weston, St Neots, PE19 5JW

Bankers: Natwest, Virgin Money

Charity Number 277111 (Registered 7 September 1979)

### **Independent Examiner**

A resolution to appoint Christopher Wilde, A.C.A., as the Independent Examiner for the year under review was passed at the trustees meeting on 5th December 2020.

### **Report of the Independent Examiner**

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I report on the financial statements for the year ending 31<sup>st</sup> March 2021 set out on pages 10 to 19.

### **Respective Responsibilities of Trustees and Independent Examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income was less than £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England & Wales.

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

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

### **Basis of Independent Examiner's report**

My examination was carried out in accordance with the Standards for Reporting Accountants laid down by the Institute of Chartered Accountants in England and Wales and with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### **Independent Examiner's statement**

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

which gives me reasonable cause to believe that, in any material respect, the requirements:

to keep accounting records in accordance with Section 130 of the 2011 Charities Act

to prepare accounts which accord with the accounting records and with the methods and principles of the

Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or to which,

in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Christopher Wilde, A.C.A

Date 1<sup>st</sup> December 2021



### **Trustees' responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity, and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the trustees on 4<sup>th</sup> December 2021 and signed on their behalf by:



Dr Murali Shanmugavelan, Chair of Trustees

**STATEMENT OF FINANCIAL ACTIVITIES (incorporating the INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR TO 31 MARCH 2021)**

INCOME AND EXPENDITURE ACCOUNT	Notes	2021		Total	2020
		Restricted Funds	Unrestricted Funds		
		£	£	£	£
<b>Incoming Resources:</b>					
Donations, legacies and similar		3,252	29,917	33,169	34,116
Grants receivable	2	-	7,100	7,100	4,100
Investment income	3	-	4,927	4,927	5,833
Sales of calendars			591	591	-
		-----	-----	-----	-----
<b>Total incoming resources</b>		3,252	42,535	45,787	44,049
<b>Less:</b> Costs of generating funds:	4		1,239	1,239	1,073
		-----	-----	-----	-----
<b>Net incoming resources available for charity application</b>		3,252	41,296	44,548	42,976
		=====	=====	=====	=====
<b>Resources Expended</b>					
<b>Charitable expenditure (programmes):</b>	5				
Project partners		1,860	1,551	3,411	9,556
Women's programme		1,272	29,541	30,813	40,377
HIV prevention		-	-	-	2,112
Tribal projects		-	9,462	9,462	14,983
Child rights		-	9,854	9,854	7,272
Health programme		-	2,200	2,200	4,013
Community based organisations		120	3,145	3,265	7,355
HIV counselling		-	-	-	4,750
Women's groups research		-	2,760	2,760	5,711
		-----	-----	-----	-----
Programmes total		3,252	58,513	61,765	96,129
<b>Other charitable expenditure</b>					
Support costs	6	-	876	876	917
Governance	7	-	539	539	1,488
		-----	-----	-----	-----
<b>Total charitable expenditure</b>		3,252	59,928	63,180	98,534
		=====	=====	=====	=====
<b>Total resources expended</b>		3,252	61,167	64,419	99,607
		=====	=====	=====	=====
<b>Net incoming/ (outgoing) resources</b>		-	(18,632)	(18,632)	(55,558)
<b>Net income/(expenditure) for the year</b>					
<b>Other recognised gains and losses</b>					
Gains/ (Losses) on investments and currency unrealised:		-	10,353	10,353	(8,280)
		-----	-----	-----	-----
<b>Net movement of funds</b>		-	(8,279)	(8,279)	(63,838)
<b>Total funds brought forward</b>		-	233,278	233,278	297,116
		-----	-----	-----	-----
<b>Total funds carried forward</b>		-	224,999	224,999	233,278
		=====	=====	=====	=====

Movements in funds are shown in Note 15. The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 12 to 19 form part of these financial statements.

# Village Service Trust Annual Report and Financial Statements for year ended 31<sup>st</sup> March 2021

## BALANCE SHEET 31 MARCH 2021

	<u>Note</u>	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	8	98	122
Investments	10	127,514	116,875
		-----	-----
		127,612	116,997
<b>CURRENT ASSETS</b>			
Debtors	11	57,876	44,705
Cash at bank and in hand		50,157	86,387
		-----	-----
		108,033	131,092
<b>CREDITORS: Amounts falling due within one year</b>	12	(10,646)	(14,811)
		-----	-----
<b>NET CURRENT ASSETS</b>		97,387	116,281
		-----	-----
<b>TOTAL NET ASSETS</b>		224,999	233,278
		=====	=====
<b>CAPITAL AND RESERVES</b>	15		
Restricted Funds		-	-
Unrestricted Funds		224,999	233,278
		-----	-----
		224,999	233,278
		=====	=====

These financial statements were approved by the members of the committee on 4<sup>th</sup> December 2021 and are signed on their behalf by:



Richard Garforth, Treasurer

The notes on pages 12 to 19 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
YEAR TO 31 MARCH 2021**

**1. ACCOUNTING POLICIES**

**Basis of Accounting**

These accounts have been prepared under the historical cost accounting convention except for investments which are included at revalued amounts. The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern. The trust constitutes a public benefit entity as defined by FRS 102.

**Donations, legacies and similar incoming resources**

Donations, legacies and similar incoming resources are included in the year in which they are receivable, which is when the charity becomes entitled to the resource.

**Grants and donations receivable**

Grants receivable, including grants for the purchase of fixed assets, are brought into account on receipt unless its receipt is certain in which case it is brought into account when the grant is notified.

**Intangible income**

Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party. The trustees have decided not to quantify donated services as these cannot be measured reliably.

**Expenditure**

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT that cannot be recovered as the charity is not registered for VAT.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. All expenditure is accounted for on an accruals basis.

**Governance and support costs**

Governance costs are those costs incurred in the management of the charity's assets, organisation and compliance functions. The trustees have decided to meet all governance costs from unrestricted funds and so no allocation or charge is made to restricted funds for any governance related costs. Support costs comprise expenses in pursuance of the trust's charitable activities. They are applied to unrestricted spending and not apportioned to funds as they are immaterial.

### **Charitable expenditure**

Charitable expenditure comprises grants to partner organisations that undertake programmes in pursuance of the charitable aims of the trust. In the case of the partners Arogya Agam and Vasandham the analysis of charitable expenditure is based on actual programme spending.

### **Currency revaluation**

The trust's partners Arogya Agam and Vasandham receive a grant for the year based on their budget. After the year end they report their actual programme spending and the amount of unspent grant in Indian rupees remaining at the end of the financial year. The value of the unspent grant in rupees is converted to sterling using the exchange rate on March 31. Gains or losses from the revaluation are reported in the statement of financial activities. In the year under review the currency revaluation generated an unrealised loss of £287.

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### **Costs of generating funds**

The costs of generating funds are expenses incurred in activities designed to raise funds and publicise the work of the trust.

### **Fixed assets and depreciation**

Fixed assets are comprised of office equipment after depreciation. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office equipment - 20% reducing balance basis

### **Investments**

Investments are stated at closing bid value at the balance sheet date. Gains or losses on revaluation are taken on the Statement of Financial Activities.

The trust manages investment risk by only investing in common investment funds designed for charities.

Investment income is allocated to unrestricted funds.

### **Trustees expenses and remuneration**

Trustees are not paid but may be compensated for travel costs for attending trustee meetings and other travel in connection with the work of the trust.

### **Independent Examiner**

The Independent Examiner does not receive any remuneration.

### **Fund accounting**

Funds held by the charity are either:-

- (a) Unrestricted general funds – these are funds without specified purpose and are available as general funds.
- (b) Unrestricted designated fund – these funds are without specified purpose but are designated to be spent over a ten year period.
- (c) Restricted funds – these are funds which can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Transfers between funds are made to cover deficits on individual restricted funds.

**2. GRANTS RECEIVABLE**

		2021	2020
Grants were received from	Purpose	£	£
Paget Trust	Unrestricted	4,000	1,000
St Clare & St Francis Trust	Unrestricted	1,000	1,000
Westcroft Trust	Unrestricted	1,100	1,100
Bryan Guinness Trust	Unrestricted	1,000	1,000
		-----	-----
Total grants		7,100	4,100
		=====	=====

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**3. INVESTMENT INCOME (UNRESTRICTED)**

	2021	2020
	£	£
Income from UK quoted investments	4,919	5,548
Interest receivable	8	285
	-----	-----
	4,927	5,833
	=====	=====

**4. COSTS OF GENERATING FUNDS (UNRESTRICTED)**

	2021	2020
	£	£
Fundraising and publicity	1,194	1,009
Office expenses	45	64
	-----	-----
	1,239	1,073
	=====	=====

**5. CHARITABLE EXPENDITURE**

Grants to partners and for research	2021			2020
	Restricted	Unrestricted	Total	
	£	£	£	£
Arogya Agam	2,412	26,609	29,021	60,536
Vasandham	840	14,824	15,664	12,207
Nilgiris Wynaad Tribal Welfare Society		4,825	4,825	2,900
Society for Rural and Enviromental Development		2,266	2,266	2,364
Mahalir Munnetra Sangam		2,266	2,266	2,364
Maitri Society		2,266	2,266	2,364
World Society			-	2,364
All Rural Development and Social Construction Society		2,697	2,697	5,319
Ms R. Krishnamurthy (researcher)		2,760	2,760	5,711
	-----	-----	-----	-----
	3,252	58,513	61,765	96,129

## CHARITABLE EXPENDITURE

Programmes and research supported:

	2021		2020
	Restricted	Unrestricted	Total
	£	£	£
<b>Project partners</b>			
Arogya Agam	1,020	1,551	2,571
Vasandham	840	-	840
<b>Programmes</b>			
Women's programme	1,272	29,541	30,813
HIV prevention	-	-	-
Tribal project	-	9,462	9,462
Child rights	-	9,854	9,854
Health programme	-	2,200	2,200
Community based organisations	120	3,145	3,265
HIV counselling	-	-	-
Women's self-help group research	-	2,760	2,760
	-----	-----	-----
	3,252	58,513	61,765
	=====	=====	=====

## 6. SUPPORT COSTS (UNRESTRICTED)

	<u>2021</u>	<u>2020</u>
	£	£
Office costs	62	89
Volunteer costs	814	828
	-----	-----
	876	917
	=====	=====

Volunteer costs are the cost of travel to and from India for a volunteer based with the trust's chief partner in India. The period of voluntary service in India was cut short by the Covid pandemic but was continued in the UK.

## 7. GOVERNANCE (UNRESTRICTED)

	<u>2021</u>	<u>2020</u>
	£	£
Office costs	6	8
Independent Examiner's remuneration	-	936
Trustees expenses (Travel)	75	33
Subscriptions	458	453
Travel	-	58
	-----	-----
	539	1,488
	=====	=====

The Trustees received no other benefits during the year

## 8. TANGIBLE FIXED ASSETS

	<u>Office Equipment</u> £
<b>COST</b>	
<i>At 1 April 2020</i>	5,700
Additions	-
	-----
At 31 March 2021	5,700
 <b>DEPRECIATION</b>	
<i>At 1 April 2020</i>	5,578
Charge for the year	24
	-----
At 31 March 2021	5,602
	=====
 <b>NET BOOK VALUE</b>	
At 31 March 2021	98
	-----
<i>At 31 March 2020</i>	122
	=====

## 9. TAXATION

The trust is a registered charity and it is considered that its activities are such that no taxation liability will arise.

## 10. INVESTMENTS

	2021 £	2020 £
UK quoted investments		
Market value at 1 April 2020 (2019)	116,875	123,115
Additions	-	-
Disposals	-	-
Increase/ (decrease) in market value in year	10,639	(6,240)
Market value at 31 March 2021 (2020)	127,514	116,875
 Investments held at 31 March 2021:		
COIF Ethical Investment Fund	49,671	41,342
COIF Property Fund	59,023	60,356
Charishare	11,694	9,391
Charifund	7,126	5,786
	-----	-----
	127,514	116,875
	=====	=====
Historical cost	98,832	



## 11. DEBTORS

	<u>2021</u>	<u>2020</u>
	£	£
Tax recoverable through Gift Aid	5,462	5,271
Accruals	165	338
Partner organisations	52,249	39,096
	-----	-----
Total	57,876	44,705
	=====	=====

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Partner organisations: The total above comprises end of year unspent grant held by Arogya Agam (2021: £2,858, 2020: £32,091) and Vasandham (2021: £975, 2020: £7,006), and grants paid in advance to partner organisations for programmes in the 2021-2022 year (2021: £48,416, 2020: nil). Grants were paid in advance to ensure the smooth transfer of funds to partners.

## 12. CREDITORS: Amounts falling due within one year

	<u>2021</u>	<u>2020</u>
	£	£
Funds held as agent (see note 13)	10,646	13,911
	-----	-----
	10,646	13,911
	=====	=====

## 13. FUNDS MANAGED ON BEHALF OF INDIAN PARTNERS

In order to expedite the smooth transfer of third party funds to the trust's partners the trust accepted funds from Global Giving and the Pappa Fund. The trust held these funds as an agent before transfer to the partners.

	Global Giving	Pappa Fund	Total
	£	£	£
Funds held on 31 March 2020	13,911	-	13,911
Funds received	24,298	8,000	32,298
Funds disbursed	(35,563)	-	(35,563)
	-----	-----	-----
Funds held on 31 March 2021	2,646	8,000	10,646

## 14. TRUSTEES' REMUNERATION

The trustees were reimbursed travel costs during the year amounting to £75 (2020 - £33).

# 15. FUNDS STATEMENT

	<u>At 1 Apr 20</u>	<u>Incoming</u> <u>Resources</u>	<u>Outgoing</u> <u>Resources</u>	<u>Transfers</u>	<u>At 31 Mar 21</u>
	£	£	£	£	£
<b>Restricted funds:</b>	-	3,252	3,252	-	-
<b>Unrestricted funds:</b>					
General fund	133,278	52,888	36,167	-	149,999
JM Designated fund	100,000	-	25,000	-	75,000
	-----	-----	-----	-----	-----
<b>Total funds</b>	<b>233,278</b>	<b>56,140</b>	<b>64,419</b>	<b>-</b>	<b>224,999</b>
	=====	=====	=====	=====	=====

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In the Trustees' opinion, there are sufficient resources held to enable each fund to be applied in accordance with the restrictions imposed by donors.

# 16. FUNDS: CORRECTION TO PRIOR YEAR

The funds statement for the year ended 31 March 2020 incorrectly placed funds held as an agent in a restricted fund instead of unrestricted. This is adjusted below, with the corrections shown in bold text. The Statement of Financial Activities for the prior year was stated correctly.

	<u>At 1 Apr 19</u>	<u>Incoming</u> <u>Resources</u>	<u>Outgoing</u> <u>Resources</u>	<u>Transfers</u>	<u>At 31 Mar 20</u>
	£	£	£	£	£
<b>Restricted funds:</b>					
Arogya Agam as stated	-	14,966	9,754	(8,699)	13,911
<b>Arogya Agam corrected</b>	-	<b>1,055</b>	<b>9,754</b>	<b>8,699</b>	-
Vasandham	-	1,200	-	(1,200)	-
HIV prevention (MPE)	-	-	2,156	2,156	-
Women's Development	-	1,440	41,213	39,773	-
Child rights	-	-	7,423	7,423	-
Nilgiris tribal education	-	1,500	2,960	1,460	-
Health	-	-	4,096	4,096	-
Community-based organisations	-	120	7,507	7,387	-
HIV+ adolescents	-	-	4,848	4,848	-
Theni tribal project	-	-	12,333	12,333	-
Women's self-help group research	-	-	5,829	5,829	-
	---	-----	-----	-----	-----
Total restricted funds as stated	-	19,226	98,119	92,804	13911
<b>Total restricted funds corrected</b>	-	<b>5,315</b>	<b>98,119</b>	<b>92,804</b>	-
	=====	=====	=====	=====	=====
<b>Unrestricted funds:</b>					
General fund as stated	172,116	16,543	1,488	(67,804)	119,367
JM Designated fund	125,000	-	-	(25,000)	100,000
	-----	-----	-----	-----	-----
Total funds as stated	297,116	16,543	1,488	(92,804)	219,367
<b>General fund corrected</b>	<b>172,116</b>	<b>30,454</b>	<b>1,488</b>	<b>(67,804)</b>	<b>133,278</b>
JM Designated fund	125,000	-	-	(25,000)	100,000
	-----	-----	-----	-----	-----
Total funds as stated	297,116	35,769	99,607	-	233,278
<b>Total funds corrected</b>	<b>297,116</b>	<b>35,769</b>	<b>99,607</b>	<b>-</b>	<b>233,278</b>

## 17. RELATED PARTY TRANSACTIONS

Our long-standing associate, Mr John Dalton, is the founder of Arogya Agam, our chief partner. He no longer holds any official position with Arogya Agam but acts as a fundraiser and informal consultant. He is also engaged as Projects Adviser to VST, providing information and recommendations about our programmes and partners, and is invited to attend trustee meetings. All these services are given pro bono. During the year Arogya Agam received £29,021 in grants (2020: £59,949), and at the year end an amount of £27,211 was included in Debtors, being paid in advance to Arogya Agam for work to be carried out in 2021-22.