

# **Village Service Trust**

Report and financial statements

Year ended 31<sup>st</sup> March 2023

Charity No. 277111

### **Report of the trustees for the year ended 31<sup>st</sup> March 2023**

The trustees present their annual report and financial statements of the charity for the year ended 31<sup>st</sup> March 2023. 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) and Financial Reporting Standard FRS 102.

### **Objectives and activities for the public benefit**

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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 carried out this programme through partnerships with five Indian non-governmental organisations (NGOs):

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

Vasandham, (Springtime), Varasanadu, Theni district

Society for Rural and Environment Development (SRED), Dharumathupatti, Theni district

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

Nilgiris Wynaad Tribal Welfare Society, (NWTWS), 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 the south Indian districts of Theni, Dindigul, Nilgiris and Wynaad, 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. Seven federations with 25,000 members 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 under-age marriage, alcohol abuse, and domestic violence, and supports and monitors credit and micro-enterprise activities of WSHGs and federations.

TMPI members participated in a domestic violence campaign run by Arogya Agam, the trust's chief partner organisation. The campaign worked through 130 village-based Violence Against Women committees which identified women in need. Some 1,436 survivors of domestic violence were registered. Cases were addressed through counselling, mediation, or police or court action. The project worked closely with government social workers.

Efforts continued to prevent sex-selective abortion through monitoring of 474 "at risk" families and checks on whether scan centres reveal the sex of the foetus. Action by TMPI prevented 58 illegal under-age marriages.

VST funded work with women's self-help groups by partner NGOs in Theni district. The partners were Arogya Agam, Vasandham and SRED. The groups are members of federations, and the federations are affiliated to TMPI. As well as functioning as credit unions and promoting micro-enterprise the SHGs campaign on gender issues. Some 2,000 women celebrated Women's Day.

Arogya Agam supported 269 WSHGs with 4,213 members. A total of 491 women benefitted from affordable loans from an Indian government agency totalling Rs. 23.5m (£235,000). Various government schemes and benefits were accessed by the WSHG members, including pensions, medical insurance and housing.

SRED worked with 42 WSHGs, mobilising bank and NGO credit of £143,000 for microenterprises for 213 group members.

Vasandham is a long term partner of VST with a well established women's development programme working closely with Vaigai Women's Federation. The federation is now operating independently and two Vasandham staff members are now employed by the federation. Vasandham itself has refocused, working on domestic violence issues and other elements of its women's programme and researching possible new programmes with panchayats (local councils) and tribal communities in the Varasanadu area. However, there have been issues in maintaining consistent communications and reporting which make it difficult to assess progress.

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

VST funds work by its partner Arogya Agam to provide support and training to community organisations for the marginalised Arunthathiyar community in Theni district.

This work has refocused on working with 22 women's self-help groups rather than village development committees as the self-help groups have proved to be more stable. The women's groups are assisted by male volunteers.

The groups lobby for village infrastructure and welfare benefits for individuals, and take up issues of discrimination and the rights of sanitation workers.

Attempts are made to bring sanitation workers together to obtain the benefits provided by the government. A survey of the sanitation worker population was undertaken to assist in planning a restructuring of the programme in three blocks of Theni district.

Among benefits obtained, problems with drinking water were solved in 19 villages and street lights were obtained in 13 villages. Tamil Nadu Welfare ID for was obtained for 130 sanitation workers. A total of 23 applications for scholarships were submitted for orphan and semi-orphan children.

### **Child rights**

The trust supports children's groups in 69 villages whose members are drawn from the disadvantaged Arunthathiyar community. There are 2,212 group members. Groups are now structured by age 6-10 (67 groups), 11-14 (65 groups) and 15-18 (46 groups). Parents and volunteers assist the groups, as do some women's self-help groups.

The project focuses on preventing drop-outs from school and encouraging children to stay in school to age 18 and gain qualifications to enter higher education.

### **Tribal projects**

Village Service Trust supported two projects with tribal communities. Both 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 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. Village volunteers have arranged evening classes. Arudecs has formed women's self-help groups and village development committees and provided training on accessing state microenterprise loans, welfare schemes, housing schemes, village development schemes and documents for individuals needed to obtain benefits.

Our partner Nilgiris Wynaad Tribal Welfare Society is based in north-west Tamil Nadu. Its field workers promote 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. There was a focus on obtaining documents such as identity cards and community certificates that enable people to obtain welfare benefits and assistance for tribal communities.

Many tribal children drop out of school because they live in remote areas without roads or public transport. VST helped fund the costs of a hostel that enables tribal children to attend school. The hostel provides free food and lodging and educational support for up to 50 children.

A third partner, Vasandham, undertook research into starting work with tribal communities in the Varasanadu locality.

## **Health**

VST supports work by Arogya Agam concerned with leprosy, tuberculosis and HIV, focusing on detection, drug adherence, self-care and referral. The programme operated in 170 villages.

Only one case of leprosy was detected, while 67 leprosy disability cases were monitored. Three disability camps were held and the needs of 82 patients were addressed.

A total of 54 cases of TB were detected, out of 1,331 tested. Some 15 patients are monitored and 20 are under treatment.

The health and drug adherence of 272 people living with HIV (PLHIV) patients including eight children were followed up. Ten cases were referred for the sophisticated CBNAAT test for detecting TB.

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## **HIV prevention**

VST funds a programme by Arogya Agam to control HIV transmission by promoting safe sex among men in non-heterosexual relationships. This group is often missed by HIV prevention programmes. The project works with 194 'Safe Sex Role Models' in 97 villages in Theni District. The role models interact with their peers to encourage them to avoid risky behaviour by reducing the number of partners and using condoms. A total of 1,542 peers were followed up by the role models and staff. It was estimated that 454 were using condoms and 336 had reduced their number of sexual partners. Some 532 peers were tested for HIV or STI at government hospitals or mobile facilities.

## **Partner support**

VST provided a contribution towards staff, administrative, research and maintenance costs at Arogya Agam and Vasandham.

## **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. Two trustees made visits during the year.

## **Financial review**

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

The trust's work is funded by donations from individuals and charitable trusts, by legacies and by dividends and interest from investments and bank deposits.

The trust received an exceptionally high level of legacies during the year, totalling £128,325.

Donations from individuals totalled £89,747 compared with £32,450 the previous year. The increase was due to one large donation and donations made in connection with a sponsored walk. Grants from trusts of £1,000 or more amounted to £3,000 (£2,000 previous year.) Investment income was £6,660 (£5,235). Overall, income was more than five times that of previous recent years due to the exceptional legacy and donation receipts. Underlying regular income was similar to that usually received.

Expenditure in India amounted to £78,326 against £43,818 the previous year. This higher level of spending was a reflection of the increase in donations, with most of the additional funds going to Nilgiris Wynaad Tribal Welfare Society.

Spending on fundraising and publicity was £685, compared to £906 the year before. Support costs were £429 (£121) while administrative expenses amounted to £362 (£290).

### Reserves

The reserves increased during the year from £234,092 to £367,811 because of the unusually high level of income. Some £25,000 of the reserves are held within a designated fund resulting from a previous exceptional legacy. The remainder of the reserves amount to £342,811.

### 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.

The trust has decided to invest legacy income in order that the benefit of legacies can be spread over many years into the future. Funds are to be invested over an 18-month period. Cash awaiting investment is placed on deposit with banks and building societies.

The trust holds sufficient cash in its bank account for immediate needs.

Unrealised losses on investments amounted to £14,021 compared with a gain of £14,443 the previous year. This was a reflection of volatility mostly in the trust's holding in a property fund.

### 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 December 2024 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:

Risk	Mitigation
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 fails to disclose significant matters	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

The trust has taken steps to diminish risks arising in its relationship with its partner organisations. It has introduced a more structured procedure governing partners' applications for grants, reporting requirements and for the disbursement of grants. All partners are complying with these procedures. There is a heightened risk relating to foreign funding of Indian NGOs. NGOs have been required to renew their registration for permission to receive funds from abroad. Three partners have encountered difficulties in this respect. All are seeking to overcome these difficulties.

One partner, Vasandham Society, has had particular difficulty as its application to renew permission under the Foreign Contribution Regulation Act has been denied. A professional advisor's view is that the denial of permission lacks justification and can be reversed on appeal. The trust is unable to fund Vasandham unless FCRA approval is restored. In addition reporting from Vasandham has been incomplete. After receipt of a financial report, a sum of £3,514 is included in debtors, being unspent balance of grants made to Vasandham. The trust recognises that the situation at Vasandham is serious, but that resolution of the problem is possible and is being actively pursued.

### **RESERVES POLICY**

In general 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. The exceptional legacy income in the year under review will enable the trust to increase its future grants to partners in line with increased investment income anticipated.

### **Plans for the future**

Trustees regard the year in review as an exceptional one, and unlikely to be repeated in the next 12 months. They expect income from donors to return to usual levels, supported by the high proportion of income from committed long term regular donors. The level of income from investments and cash on deposit is expected to increase due to higher interest rates. The level of grants to partners is likely to be temporarily constrained due to concerns over foreign funding regulations.

In view of these factors, 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 December 2024 showing a rise in the trust's resources.

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

The trust is a registered charity, number 277111, and is constituted under a Deed of Trust 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:

Sophie Walker, Chair

Richard Garforth, Treasurer

Tony Huckle, Secretary

Murali Shanmugavelan

Gerti Wilford (retired September 2023)

Bryan Osbon

Carol Chalmers (retired May 2022)

David Mosse

Angela Russ (retired September 2022)

Rosie Oakley

### **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 reappoint Christopher Wilde A.C.A. as the Independent Examiner for the year under review was passed at the trustees meeting on 3rd December 2022.



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

I report on the financial statements for the year ending 31st March 2023 set out on pages 11 to 19.

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

The trustees 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: Page | 9

- 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 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

**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 2nd September 2023 and signed on their behalf by:



Sophie Walker, Chair of Trustees

**STATEMENT OF FINANCIAL ACTIVITIES (incorporating the INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR TO 31 MARCH 2023)**

INCOME AND EXPENDITURE ACCOUNT	Notes	2023		Total	2022
		Restricted Funds	Unrestricted Funds		
<b>Incoming Resources:</b>		£	£	£	£
Donations, legacies and similar		52,990	165,082	218,072	32,450
Grants receivable	2	1,000	2,000	3,000	2,000
Investment income	3	-	6,660	6,660	5,235
		-----	-----	-----	-----
<b>Total incoming resources</b>		<b>53,990</b>	<b>173,742</b>	<b>227,732</b>	<b>39,685</b>
<b>Less:</b> Costs of generating funds:	4		685	685	906
		-----	-----	-----	-----
<b>Net incoming resources available for charity application</b>		<b>53,990</b>	<b>173,057</b>	<b>227,047</b>	<b>38,779</b>
		=====	=====	=====	=====
<b>Resources Expended</b>					
<b>Charitable expenditure:</b>	5				
Project partners		1,810	1,614	3,424	2,608
Women's programme		8,186	3,484	11,670	18,674
HIV prevention		-	284	284	-
Tribal projects		43,814	8,951	52,765	10,773
Child rights		-	6,080	6,080	7,880
Health programme		-	1,036	1,036	930
Community based organisations		180	2,887	3,067	2,953
		-----	-----	-----	-----
<b>Total programmes expenditure</b>		<b>53,990</b>	<b>24,336</b>	<b>78,326</b>	<b>43,818</b>
<b>Other charitable expenditure</b>					
Support costs	6	-	429	429	121
Governance	7	-	362	362	290
		-----	-----	-----	-----
<b>Total charitable expenditure</b>		<b>53,990</b>	<b>25,127</b>	<b>79,117</b>	<b>44,229</b>
		=====	=====	=====	=====
<b>Total resources expended</b>		<b>53,990</b>	<b>25,812</b>	<b>79,802</b>	<b>45,135</b>
		=====	=====	=====	=====
<b>Net incoming/ (outgoing) resources</b>		<b>-</b>	<b>147,930</b>	<b>147,930</b>	<b>(5,450)</b>
<b>Net income/(expenditure) for the year</b>					
<b>Other recognised gains and losses</b>					
Gains/(Losses) on investments and currency unrealised:		-	(14,211)	(14,211)	14,543
		-----	-----	-----	-----
<b>Net movement of funds</b>		<b>-</b>	<b>133,719</b>	<b>133,719</b>	<b>(9,093)</b>
<b>Total funds brought forward</b>		<b>-</b>	<b>234,092</b>	<b>234,092</b>	<b>224,999</b>
		-----	-----	-----	-----
<b>Total funds carried forward</b>		<b>-</b>	<b>367,811</b>	<b>367,811</b>	<b>234,092</b>
		=====	=====	=====	=====

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 13 to 19 form part of these financial statements.

Village Service Trust  
Trustees Annual Report and Financial Statements for the year ended 31<sup>st</sup> March 2023

**BALANCE SHEET**  
**31 MARCH 2023**

	<u>Note</u>	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets	8	62	78
Investments	10	127,937	141,958
		-----	-----
		127,999	142,036
<b>CURRENT ASSETS</b>			
Debtors	11	21,964	14,361
Cash at bank and in hand		223,768	90,197
		-----	-----
		245,732	104,558
<b>CREDITORS: Amounts falling due within one year</b>			
	12	(5,920)	(12,502)
		-----	-----
<b>NET CURRENT ASSETS</b>		239,812	92,056
		-----	-----
<b>TOTAL NET ASSETS</b>		367,811	234,092
		=====	=====
<b>CAPITAL AND RESERVES</b>			
	15		
Restricted Funds		-	-
Unrestricted Funds		367,811	234,092
		-----	-----
		367,811	234,092
		=====	=====

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These financial statements were approved by the members of the committee on 2<sup>nd</sup> September 2023 and are signed on their behalf by:



Richard Garforth, Treasurer

The notes on pages 13 to 19 form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS YEAR TO 31 MARCH 2023

### 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.

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#### **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 cases of the chief partner Arogya Agam and that of Vasandham the analysis of charitable expenditure is based on actual programme

spending and funds provided by VST that remain unspent at the end of the year are accounted for in Debtors as an advance for work to be carried out in 2023-2024.

#### **Currency revaluation**

The trust's partner Arogya Agam receives a grant for the year based on its budget. After the year end it reports the 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 £190 (2022 gain of £99).

#### **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.
- (d) Transfers between funds are made to cover deficits on individual restricted funds.

## 2. GRANTS RECEIVABLE

		2023	2022
Grants were received from	Purpose	£	£
Paget Trust	Unrestricted	1,000	-
St Clare & St Francis Trust	Unrestricted	1,000	1,000
Bryan Guinness Trust	Restricted: Tribal Programme	1,000	1,000
		-----	-----
Total grants		3,000	2,000
		=====	=====

## 3. INVESTMENT INCOME (UNRESTRICTED)

	2023	2022
	£	£
Income from UK quoted investments	5,362	5,235
Interest receivable	1,298	-
	-----	-----
	6,660	5,235
	=====	=====

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## 4. COSTS OF GENERATING FUNDS (UNRESTRICTED)

	2023	2022
	£	£
Fundraising and publicity	530	818
Office expenses	155	88
	-----	-----
	685	906
	=====	=====

## 5. CHARITABLE EXPENDITURE

Grants to partners	2023			2022
	Restricted	Unrestricted	Total	
	£	£	£	£
Arogya Agam	9,336	9,784	19,120	21,639
Vasandham	840	4,602	5,442	9,949
Nilgiris Wynaad Tribal Welfare Society	43,814	3,058	46,872	5,449
Society for Rural and Enviromental Development	-	2,088	2,088	1,097
Mahalir Munnetra Sangam	-	-	-	1,097
Maitri Society	-	-	-	1,097
All Rural Development and Social Construction Society	-	4,804	4,804	3,490
	-----	-----	-----	-----
	53,990	24,336	78,326	43,418*
	=====	=====	=====	=====

\*Incorrectly stated as £48,818 in the financial statement for the year ended 31<sup>st</sup> March 2022

## CHARITABLE EXPENDITURE

Programmes supported:

(See note 18)

	2023			2022
	Restricted	Unrestricted	Total	
	£	£	£	£
<b>Project partners</b>				
Arogya Agam	970	277	1,247	2,608
Vasandham	840	1,337	2,177	-
<b>Programmes</b>				
Women's programme	8,186	3,484	11,670	18,674
Tribal projects	43,814	8,951	52,765	10,773
Child rights	-	6,080	6,080	7,880
Health programme	-	1,036	1,036	930
Community based organisations	180	2,887	3,067	2,953
HIV prevention	-	284	284	-
	-----	-----	-----	-----
	53,990	24,336	78,326	43,818
	=====	=====	=====	=====

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## 6. SUPPORT COSTS (UNRESTRICTED)

	<u>2023</u>	<u>2022</u>
	£	£
Office costs	218	121
Travel costs	211	-
	-----	-----
	429	121
	=====	=====

## 7. GOVERNANCE (UNRESTRICTED)

	<u>2023</u>	<u>2022</u>
	£	£
Office costs	20	11
Trustees expenses (Travel)	75	-
Subscriptions	267	279
	-----	-----
	362	290
	=====	=====



## 8. TANGIBLE FIXED ASSETS

	<u>Office Equipment</u> £
<b>COST</b>	
<i>At 1 April 2022</i>	5,700
Additions	-
	-----
At 31 March 2023	5,700
<b>DEPRECIATION</b>	
<i>At 1 April 2022</i>	5,622
Charge for the year	16
	-----
At 31 March 2023	5,638
	=====
<b>NET BOOK VALUE</b>	
At 31 March 2023	62
	-----
<i>At 31 March 2022</i>	78
	=====

## 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

	2023 £	2022 £
UK quoted investments		
Market value at 1 April 2022 (2021)	141,958	127,514
Additions	-	-
Disposals	-	-
Increase/ (decrease) in market value in year	(14,021)	14,444
Market value at 31 March 2023 (2022)	127,937	141,958
Investments held at 31 March 2023:		
COIF Ethical Investment Fund	51,222	53,886
COIF Property Fund	57,073	67,835
Black Rock Charities UK Equity Fund	12,463	12,591
M&G Equities Investment Fund for Charities	7,179	7,346
	-----	-----
	127,937	141,958
	=====	=====
Historical cost	98,832	

## 11. DEBTORS

	<u>2023</u>	<u>2022</u>
	£	£
Tax recoverable through Gift Aid	8,063	5,684
Accruals	153	147
Partner organisations	13,748	8,530
	-----	-----
Total	21,964	14,361
	=====	=====

Partner organisations: The amount above comprises end of year unspent grant held by Arogya Agam and Vasandham.

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

	<u>2023</u>	<u>2022</u>
	£	£
Funds held as agent (see note 13)	5,920	12,502

## 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 (an international donor platform). The trust held these funds as an agent before transfer to the partners.

	Global Giving
	£
Funds held on 31 March 2022	12,502
Funds received	14,092
Funds disbursed	(20,674)
Funds held on 31 March 2023	5,920

## 14. TRUSTEES' REMUNERATION

Trustees were reimbursed for the cost of travel to meetings and travel within India amounting to £286 (2022 - nil.)

## 15. FUNDS STATEMENT

	<u>At 1 Apr 22</u>	<u>Incoming Resources</u>	<u>Outgoing Resources</u>	<u>Transfers</u>	<u>At 31 Mar 23</u>
	£	£	£	£	£
<b>Restricted funds:</b>	-	53,990	53,990	-	-
<b>Unrestricted funds:</b>					
General fund	184,092	173,742	15,023	-	342,811
JM Designated fund	50,000	-	25,000	-	25,000
	-----	-----	-----	-----	-----
<b>Total funds</b>	234,092	227,732	94,013	-	367,811
	=====	=====	=====	=====	=====

The JM Designated fund resulted from a legacy from Mr John Morrish. As it was a significant amount the trustees decided to treat the legacy as a designated fund and apply the money to the Trust's general funds in instalments over a period of 10 years. 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. 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 £19,120 in grants (2022: £21,639), and at the year end an amount of £10,235 was included in Debtors, being paid in advance to Arogya Agam for work to be carried out in 2023-2024.

#### **17. Vasandham**

The figures for programme expenditure include estimates for Vasandham based on assumptions and general correspondence in the absence of a comprehensive formal activity report, although a financial report and a brief activity report have been received.