

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|--------------------------|--|--|
| Trustees | Rashmi Jamnadas Chatwani Sharad Trikamlal Bhimjiyani Mansukh Morjaria Prakash Gandecha Praful Radia Laxmidas Tulsidas Popat Rajnikant Chhotalal Khiroya Rajnikant Samji Davda Asmita Masrani Amritlal Rajani (Co-opted) Jayendra Morjaria (Co-opted) Kishor Ghelani S Hirani | (Appointed 24 April 2016) (Appointed 23 April 2017) |
| Secretary | Prakash Gandecha | |
| Charity number | 1104605 | |
| Principal address | Shree Jalaram Temple 39-45 Oldfield Lane South Greenford Middlesex UB6 9LB | |
| Auditor | H W Fisher & Company Acre House 11-15 William Road London NW1 3ER | |

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
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RAGHUVANSHI MAHAJAN LONDON ('RAMA') (SHREE JALARAM MANDIR - GREENFORD) TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees present their report and accounts for the year ended 31 December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with 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 2015)"

Objectives and activities

The objects, as set out in its Trust Deed, are:

- The advancement of the Hindu culture and religion in the London Boroughs of Ealing, Brent Hammersmith and Richmond-Upon-Thames and environs.
- The advancement of education and the relief of poverty and sickness among the Hindu generally and the promotion of public education in Hindu culture and religion.
- The provision of or assisting the provision of facilities for leisure time occupation for members of the Hindu community resident in the said London Boroughs and surrounding areas in the interest of social welfare with the object of improving their conditions of life.

The charity's aim is to advance Hindu culture and religion. Also it seeks to promote public education in Hindu culture and religion and to provide facilities in the interest of social welfare to the Hindu community residing in the London Boroughs of Ealing, Brent, Harrow, Hillingdon, Hounslow, Barnet, Hammersmith and Richmond-Upon-Thames.

All proposals for grants are generated internally and the trustees regret that external applications will not be considered.

The trustees have complied with their duty in section 17 of the Charities Act 2011 and guidance issued by the Charity Commission in deciding what activities the RAMA should undertake.

RAMA's policy is to consult and discuss with employees, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the RAMA continues and that the appropriate training is arranged. It is the policy of the RAMA that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Achievements and performance

As part of its activity the Charity operated and maintained a Hindu Temple (Shree Jalaram Mandir) and a community centre at Greenford, Middlesex, and currently located at Perivale, whistle redevelopment is in progress. The Charity operates a community centre where a hot kitchen is operated 7 days a week The Charity also provided the financial and operational Activities.

The Charity during the year provided the following:

1. Provided approximately three thousand hot meals a week at the Temple centre.
2. Provided on average 225 hot meals a week to the homeless in Central London.
3. Carried out 63 eye camps.

**RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
TRUSTEES' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2016

Total of 11,710 patients' examined:

1963 surgeries carried resulting in 1,552 given gift of sight.

Numerous patients' given eye drops and minor treatment.

4. Various dental camps arranged and numerous patients provided with free dentures, bottles of tooth powder and where applicable teeth extracted.

5. All children in one school in India were provided with free lunch for the whole year.

6. Approx. 400 children are served food every week at Charkdhi, India

All of the above services were provided free and no fees or costs were charged to anyone.

During the year The Charity has also joined hands with The Felix Project to distribute free food in Central London.

The Trust Deed authorises the trustees to make and hold investments using general funds of the charity.

Financial review

The charity made a surplus of £717,870 (2015: £538,277) and accumulated reserves in surplus of £3,322,429 (2015: £2,604,559) at the year end. The present level of funding is adequate to support the activities of the charity and the Trustees consider the financial position of the Charity to be satisfactory.

It is the policy of the RAMA that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the RAMA's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Key risks

The board of trustees is responsible for the management of the risk faced by the charity. A review of the charity's risk management process is undertaken on a regular basis.

The key controls used by the charity include:

- 1) comprehensive budgeting and management accounting.
- 2) comprehensive internal checks of the cash allocated.
- 3) adequate authorisation and approval of the transactions undertaken.

The charity has a focus on non-financial risks arising from fire, health and safety and food hygiene. In order to manage these risks RAMA employs outside professionals to come in and perform checks. For the past few years the Charity has been awarded 5 stars for its Food and Hygiene.

During 2015 the Charity was awarded the "The Innovation Award", by the British Heart Foundation for promoting healthy food

In addition courses are run for volunteers, staff and Trustees to ensure hygiene and health and safety regulations are adhered to.

**RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
TRUSTEES' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2016

Significant events

The Mandir was demolished on 17 September 2016 to rebuild a new temple and community centre.

This has led to higher expenses during the year most noticeably causing a large increase in rent and cleaning and waste collection fees. The charity needed to rent a new premise and had one off costs to get it up to a standard acceptable for prayers and community activities.

Plans for the future

The redevelopment of the New Temple and Community Centre is in the process of construction and anticipated completion date is a period of up to 2 years.

Key management personnel

The trustees represent the key management personnel for the Charity

Structure, governance and management

The Raghuvanshi Mahajan London "RAMA" was established by a charitable trust deed on 23 May 2004.

The trustees who served during the year were:

Rashmi Jamnadas Chatwani

Sharad Trikamlal Bhimjiyani

Mansukh Morjaria

Prakash Gandecha

Praful Radia

Laxmidas Tulsidas Popat

Rajnikant Chhotalal Khiroya

Rajnikant Samji Davda

Asmita Masrani

Amritlal Rajani (Co-opted)

Jayendra Morjaria (Co-opted)

Kishor Ghelani

(Appointed 24 April 2016)

Shaneel Hirani

(Appointed 23 April 2017)

Charity registration number:

1104605

Principal office:

Temporary Located at

2 Wadsworth Road

Perivale UB6 7JD

The appointment of trustees is governed by the Trust Deed of the charity. The Board of Trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

The trustees of the Charity are legally responsible for the overall management and control of Raghuvanshi Mahajan London ('RAMA') and meet regularly. The work of implementing most of their policies is carried out by the chairperson.

The trustees' report was approved by the Board of Trustees.

Rajnikant Chhotalal Khiroya

Trustee

Dated: 12 October 2017

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees are responsible for preparing the Trustees' Report and the accounts 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 accounts for each financial 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 year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the accounts 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF RAGHUVANSHI MAHAJAN LONDON ('RAMA')

We have audited the accounts of Raghuvanshi Mahajan London ('RAMA') for the year ended 31 December 2016 set out on pages 7 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees' responsibilities set out on page 4, the trustees are responsible for the preparation of accounts which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the charity's affairs as at 31 December 2016 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.

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF RAGHUVANSHI MAHAJAN LONDON ('RAMA')

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the accounts are not in agreement with the accounting records and returns; or
- sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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.

Other matter

Your attention is drawn to the fact that the charity has prepared accounts in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

H W Fisher & Company

Chartered Accountants
Statutory Auditor

26 October 2017

Acre House
11-15 William Road
London
NW1 3ER

H W Fisher & Company is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2016

| | Notes | Unrestricted funds general £ | Unrestricted funds designated £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|---|-------|------------------------------------|---------------------------------------|-----------------------|-------------------------|-------------------------|
| <u>Income from:</u> | | | | | | |
| Donations and legacies | 3 | 675,307 | - | 734,315 | 1,409,622 | 1,070,978 |
| Investments | 4 | 27,194 | - | - | 27,194 | 11,842 |
| Total income | | <u>702,501</u> | <u>-</u> | <u>734,315</u> | <u>1,436,816</u> | <u>1,082,820</u> |
| <u>Expenditure on:</u> | | | | | | |
| Raising funds | 5 | 32,411 | - | - | 32,411 | 36,841 |
| <u>Charitable activities</u> | | | | | | |
| Advancement of Hindu Culture, Education & Religion | 6 | 164,572 | - | - | 164,572 | 131,269 |
| Social Welfare Activities for the Community | 6 | 286,879 | 235,084 | - | 521,963 | 376,433 |
| Total charitable expenditure | | <u>451,451</u> | <u>235,084</u> | <u>-</u> | <u>686,535</u> | <u>507,702</u> |
| Total resources expended | | <u>483,862</u> | <u>235,084</u> | <u>-</u> | <u>718,946</u> | <u>544,543</u> |
| Net incoming resources before transfers | | 218,639 | (235,084) | 734,315 | 717,870 | 538,277 |
| Gross transfers between funds | | (735,084) | 893,608 | (158,524) | - | - |
| Net (expenditure)/income for the year/ Net movement in funds | | <u>(516,445)</u> | <u>658,524</u> | <u>575,791</u> | <u>717,870</u> | <u>538,277</u> |
| Fund balances at 1 January 2016 | | <u>676,330</u> | <u>1,660,084</u> | <u>268,145</u> | <u>2,604,559</u> | <u>2,066,282</u> |
| Fund balances at 31 December 2016 | | <u><u>159,885</u></u> | <u><u>2,318,608</u></u> | <u><u>843,936</u></u> | <u><u>3,322,429</u></u> | <u><u>2,604,559</u></u> |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
BALANCE SHEET

AS AT 31 DECEMBER 2016

| | Notes | 2016 | | 2015 restated | |
|---|-------|-----------|-----------|------------------|-----------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 11 | | 1,125,794 | | 1,053,180 |
| Current assets | | | | | |
| Stocks | 13 | 20,430 | | 20,840 | |
| Debtors | 14 | 52,527 | | 18,150 | |
| Cash at bank and in hand | | 2,185,630 | | 1,764,357 | |
| | | | 2,258,587 | | 1,803,347 |
| Creditors: amounts falling due within one year | 15 | (61,952) | | (251,968) | |
| Net current assets | | | 2,196,635 | | 1,551,379 |
| Total assets less current liabilities | | | 3,322,429 | | 2,604,559 |
| Income funds | | | | | |
| Restricted funds | 17 | | 843,936 | | 268,145 |
| <u>Unrestricted funds</u> | | | | | |
| Designated funds: | | | | | |
| Existing Property reserve | | 960,084 | | 960,084 | |
| Mandir and community hall development fund | | 600,000 | | 600,000 | |
| Sadavrat fund | | 600,000 | | 100,000 | |
| Assets under construction | | 158,524 | | - | |
| | | | 2,318,608 | | 1,660,084 |
| General unrestricted funds | 18 | 159,885 | | 676,330 | |
| | | | 2,478,493 | | 2,336,414 |
| | | | 3,322,429 | | 2,604,559 |

The accounts were approved by the Trustees on 12 October 2017

Sharad Trikamlal Bhimjiyani
Trustee

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

| | Notes | 2016 £ | £ | 2015 £ | £ |
|---|-------|-----------|------------------|-----------|------------------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 21 | | 674,787 | | 539,223 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (80,708) | | (79,088) | |
| Interest received | | 27,194 | | 11,842 | |
| Net cash used in investing activities | | | (53,514) | | (67,246) |
| Financing activities | | | | | |
| Proceeds from borrowings | | - | | 12,000 | |
| Repayment of borrowings | | (200,000) | | - | |
| Net cash (used in)/generated from financing activities | | | (200,000) | | 12,000 |
| Net increase in cash and cash equivalents | | | 421,273 | | 483,977 |
| Cash and cash equivalents at beginning of year | | | 1,764,357 | | 1,280,380 |
| Cash and cash equivalents at end of year | | | 2,185,630 | | 1,764,357 |

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

Charity information

Raghuvanshi Mahajan London ('RAMA') is an unincorporated charity. Its registered office is 39-41 Oldfield Lane, South Greenford, Middlesex, UB6 9LB. The charity meets the definition of a public benefit entity under FRS102.

1.1 Accounting convention

The accounts 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 accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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

These accounts for the year ended 31 December 2016 are the first accounts of Raghuvanshi Mahajan London ('RAMA') prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

The accounts have been prepared on a going concern basis and the trustees believe there to be no material uncertainties about the Charity's ability to continue as a going concern.

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 accounts.

1.4 Incoming resources

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.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the bank.

Gifts in kind represent food donations, which are recognised upon receipt at estimates cost.

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as expenditure once there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated to charitable activities in the statement of financial activities.

Costs not directly attributable to a particular functional category are apportioned over the relevant categories on the basis of management estimates of the amount attributable to that activity to that year.

Costs of raising funds are those costs incurred in staging the charity's fundraising events.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the charity.

Governance costs comprise the costs of running the charity, including all costs of complying with constitutional and statutory requirements such as preparing statutory accounts. It is apportioned to relevant categories on the basis of staff costs.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.6 Tangible fixed assets

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

Freehold mandir land and assets under construction are not depreciated.

Other tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------------|-------------------|
| Freehold | |
| Fixtures, fittings & equipment | 20% straight line |
| Motor vehicles | 33% straight line |

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 net income/(expenditure) for the year.

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Stocks

Stocks, which comprise of food held for distribution at no or nominal consideration, are measured at the lower of cost and replacement cost.

1.9 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.

1.10 Financial instruments

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.

Basic financial assets

Basic financial assets, which include debtors 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.

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors 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 creditors 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 creditors 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 charity's contractual obligations expire or are discharged or cancelled.

1.11 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.

1.12 Retirement benefits

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

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

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.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

The charity receives donated food which is then distributed free of charge. In order to arrive at an estimate of the value of donated food, the trustees calculate how much it would cost to provide such meals and then deduct from this the food costs which have been incurred by the charity itself, leaving a balance representing the cost value of donated food.

Stocks of food at year end are valued at estimated replacement cost.

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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3 Donations and legacies

| | Unrestricted funds general £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|--|---------------------------------------|--------------------------|--------------------|--------------------|
| Donations and gifts | 675,307 | 734,315 | 1,409,622 | 1,070,978 |
| For the year ended 31 December 2015 | <u>814,021</u> | <u>256,957</u> | | <u>1,070,978</u> |
| Donations and gifts | | | | |
| Box collection and miscellaneous income | 590,307 | 734,315 | 1,324,622 | 960,978 |
| Gifts in kind | 85,000 | - | 85,000 | 110,000 |
| | <u>675,307</u> | <u>734,315</u> | <u>1,409,622</u> | <u>1,070,978</u> |

4 Investments

| | 2016 £ | 2015 £ |
|---------------------|-----------|-----------|
| Interest receivable | 27,194 | 11,842 |

All of the investment income arises from money held in interest bearing deposit accounts. All investment income in 2016 and 2015 was unrestricted.

5 Raising funds

| | 2016 £ | 2015 £ |
|---|---------------|---------------|
| <u>Costs of generating donations and legacies</u> | | |
| Fund raising social events | 29,391 | 19,646 |
| Token gifts in fundraising | - | 10,945 |
| Advertising | 3,020 | 6,250 |
| Costs of generating donations and legacies | <u>32,411</u> | <u>36,841</u> |

All costs of generating donations and legacies in 2016 and 2015 relate to unrestricted funds.

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6 Charitable activities

| | Advancement of Hindu Culture, Education & Religion £ | Social Welfare Activities for the Community £ | Total 2016 £ | Total 2015 £ |
|--|---|--|-----------------------------|-----------------------------|
| Staff costs | 51,407 | 129,263 | 180,670 | 175,295 |
| Light and heat | 4,120 | 9,612 | 13,732 | 17,197 |
| Social events - food | - | 160,098 | 160,098 | 190,823 |
| Repairs and maintenance | 3,208 | 3,208 | 6,416 | 5,201 |
| Printing, postage and stationery | 5,893 | - | 5,893 | 5,644 |
| Telephone and fax | 2,746 | - | 2,746 | 4,273 |
| Insurance | 8,047 | - | 8,047 | 5,450 |
| Sundry | 1,310 | - | 1,310 | 3,135 |
| Bank charges | 1,255 | - | 1,255 | 1,561 |
| Parking | 5,817 | - | 5,817 | 6,784 |
| Rent | 26,642 | 62,166 | 88,808 | 9,043 |
| Subscriptions | 1,475 | - | 1,475 | - |
| License fees | 8,333 | - | 8,333 | - |
| | <u>120,253</u> | <u>364,347</u> | <u>484,600</u> | <u>424,406</u> |
| Grant funding of activities (see note 7) | 24,765 | - | 24,765 | 21,785 |
| Share of support costs (see note 8) | 17,504 | 151,781 | 169,285 | 52,654 |
| Share of governance costs (see note 8) | 2,050 | 5,835 | 7,885 | 8,857 |
| | <u>164,572</u> | <u>521,963</u> | <u>686,535</u> | <u>507,702</u> |
| Analysis by fund | | | | |
| Unrestricted funds - general | 164,572 | 286,879 | 451,451 | |
| Unrestricted funds - designated | - | 235,084 | 235,084 | |
| | <u>164,572</u> | <u>521,963</u> | <u>686,535</u> | |
| For the year ended 31 December 2015 | | | | |
| Unrestricted funds - general | 131,269 | 110,000 | | 241,269 |
| Unrestricted funds - designated | - | 266,433 | | 266,433 |
| | <u>131,269</u> | <u>376,433</u> | | <u>507,702</u> |

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7 Grants payable

| | 2016 £ | 2015 £ |
|---|---------------|---------------|
| Grants to institutions and individuals: | | |
| Institutions | 18,332 | 21,785 |
| Individuals | 6,433 | - |
| | <u>24,765</u> | <u>21,785</u> |

8 Support costs

| | Support costs £ | Governance costs £ | 2016 £ | 2015 £ | Basis of allocation |
|-------------------------------|--------------------|--------------------------|----------------|---------------|---------------------|
| Depreciation | 8,094 | - | 8,094 | 5,500 | |
| Cleaning and waste collection | 109,102 | - | 109,102 | 12,555 | |
| Security, health and safety | 51,870 | - | 51,870 | 34,599 | |
| Staff training | 219 | - | 219 | - | |
| Audit fees | - | 6,085 | 6,085 | 6,554 | Governance |
| Legal and professional | - | 1,800 | 1,800 | 2,303 | Governance |
| | <u>169,285</u> | <u>7,885</u> | <u>177,170</u> | <u>61,511</u> | |
| Analysed between | | | | | |
| Charitable activities | <u>169,285</u> | <u>7,885</u> | <u>177,170</u> | <u>61,511</u> | |

Governance costs includes payments to the auditors of £6,085 (2015: £8,857) for audit fees and £1,800 (2015: £nil) for other services.

9 Trustees

The trustees represent the key management personnel for the company.

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

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10 Employees

Number of employees

The average monthly number employees during the year was:

| | 2016 | 2015 |
|-------------------------|-------------------|-------------------|
| | Number | Number |
| Operational | 16 | 18 |
| | <u> </u> | <u> </u> |
| Employment costs | 2016 | 2015 |
| | £ | £ |
| Wages and salaries | 168,584 | 168,637 |
| Social security costs | 9,641 | 6,658 |
| Other pension costs | 2,445 | - |
| | <u> </u> | <u> </u> |
| | <u>180,670</u> | <u>175,295</u> |

There were no employees whose annual remuneration was £60,000 or more.

11 Tangible fixed assets

| | Freehold | Assets under construction | Fixtures, fittings & equipment | Motor vehicles | Total |
|------------------------------------|-------------------|----------------------------------|---|-----------------------|-------------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 January 2016 | 960,084 | 77,816 | 131,843 | 2,500 | 1,172,243 |
| Additions | - | 80,708 | - | - | 80,708 |
| Disposals | - | - | (111,300) | - | (111,300) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| At 31 December 2016 | 960,084 | 158,524 | 20,543 | 2,500 | 1,141,651 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Depreciation and impairment | | | | | |
| At 1 January 2016 | - | - | 117,413 | 1,650 | 119,063 |
| Depreciation charged in the year | - | - | 7,269 | 825 | 8,094 |
| Eliminated in respect of disposals | - | - | (111,300) | - | (111,300) |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| At 31 December 2016 | - | - | 13,382 | 2,475 | 15,857 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| Carrying amount | | | | | |
| At 31 December 2016 | 960,084 | 158,524 | 7,161 | 25 | 1,125,794 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| At 31 December 2015 | 1,037,900 | - | 14,430 | 850 | 1,053,180 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

The building was demolished on 17 September 2016 to rebuild a new temple and community centre. The trustees have undertaken an impairment review and have concluded that, due to the appreciation in value of the land in question, it is reasonable that the cost of the land should remain at £960,084.

As at the date of signing the accounts, the new building is under construction.

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| | | | |
|-----------|---|-------------|-----------------|
| 12 | Financial instruments | 2016 | 2015 |
| | | £ | £ |
| | Carrying amount of financial assets | | |
| | Debt instruments measured at amortised cost | - | 7,625 |
| | | ===== | ===== |
| | Carrying amount of financial liabilities | | |
| | Measured at amortised cost | 55,853 | 251,277 |
| | | ===== | ===== |
| 13 | Stocks | 2016 | 2015 |
| | | £ | £ |
| | Food stocks | 20,430 | 20,840 |
| | | ===== | ===== |
| 14 | Debtors | 2016 | 2015 |
| | | £ | £ |
| | Amounts falling due within one year: | | |
| | Other debtors | - | 7,625 |
| | Prepayments and accrued income | 52,527 | 10,525 |
| | | ===== | ===== |
| | | 52,527 | 18,150 |
| | | ===== | ===== |
| 15 | Creditors: amounts falling due within one year | 2016 | 2015 |
| | | £ | £ |
| | | | Restated |
| | Other loans | 17,000 | 217,000 |
| | Other taxation and social security | 6,099 | 691 |
| | Other creditors | 21,974 | - |
| | Accruals and deferred income | 16,879 | 34,277 |
| | | ===== | ===== |
| | | 61,952 | 251,968 |
| | | ===== | ===== |

The restatement is in relation to the reclassification of long term loans from long term creditors to short term creditors due to being payable on demand.

16 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £2,445 (2015 - nil).

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17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | | |
|--|--------------------------------------|-------------------------------|-------------------------------|------------------|--|
| | Balance at 1 January 2016 | Incoming resources | Resources expended | Transfers | Balance at 31 December 2016 |
| | £ | £ | £ | £ | £ |
| Mandir and community hall development fund | 268,145 | 734,315 | - | (158,524) | 843,936 |
| | <u>268,145</u> | <u>734,315</u> | <u>-</u> | <u>(158,524)</u> | <u>843,936</u> |

The 'mandir and community hall development fund' is to redevelop and build a new mandir and community centre.

As at the year end £158,524 was capitalised and therefore transferred to designated funds.

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Movement in funds | | | | |
|--|--------------------------------------|-------------------------------|-------------------------------|------------------|--|
| | Balance at 1 January 2016 | Incoming resources | Resources expended | Transfers | Balance at 31 December 2016 |
| | £ | £ | £ | £ | £ |
| Existing land reserve | 960,084 | - | - | - | 960,084 |
| Mandir and community hall development fund | 600,000 | - | - | - | 600,000 |
| Sadavrat Fund | 100,000 | - | (235,084) | 735,084 | 600,000 |
| Assets under construction | - | - | - | 158,524 | 158,524 |
| | <u>1,660,084</u> | <u>-</u> | <u>(235,084)</u> | <u>893,608</u> | <u>2,318,608</u> |

The property reserve fund represents the cost of land and buildings bought by the charity.

The development of mandir and community hall fund is to redevelop and build a new mandir and community centre.

The Sadavrat fund is open to all, without reference to caste, creed or colour, to provide hot kitchen facilities. During the year £235,084 was spent providing food for the devotees and homeless and at the year end the funds from unrestricted funds replenished the fund to £600,000 for next year.

The assets under construction fund represents amounts capitalised in respect of the new Mandir and community centre that were funded from restricted funds.

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19 Analysis of net assets between funds

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | Total £ |
|---|----------------------------|--------------------------|--------------------------|------------------|
| Fund balances at 31 December 2016 are represented by: | | | | |
| Tangible assets | 7,186 | 1,118,608 | - | 1,125,794 |
| Current assets/(liabilities) | 152,699 | 1,200,000 | 843,936 | 2,196,635 |
| | <u>159,885</u> | <u>2,318,608</u> | <u>843,936</u> | <u>3,322,429</u> |

20 Related party transactions

There were no related party transactions during the year (2015- none).

21 Cash generated from operations

| | 2016 £ | 2015 £ |
|---|----------------|----------------|
| Surplus for the year | 717,870 | 538,277 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (27,194) | (11,842) |
| Depreciation and impairment of tangible fixed assets | 8,094 | 5,500 |
| Movements in working capital: | | |
| Decrease/(increase) in stocks | 410 | (9,590) |
| (Increase)/decrease in debtors | (34,377) | 550 |
| Increase in creditors | 9,984 | 16,328 |
| Cash generated from operations | <u>674,787</u> | <u>539,223</u> |