

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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 Papat Rajnikant Chhotalal Khiroya Rajnikant Samji Davda Asmita Masrani Jayendrakumar Hansraj Morjaria Kishorkumar Dayalal Ghelani Shaneel Hirani Vinodlal Manilal Kanabar Amritlal Jethalal Rajani | (Appointed 29 April 2018) |
| 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 2017

The trustees present their report and accounts for the year ended 31 December 2017

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.

RAGHUVANSHI MAHAJAN LONDON ('RAMA')

(SHREE JALARAM MANDIR - GREENFORD)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

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, whilst 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 facilities to celebrate a number of Hindu religious ceremonies and activities.

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 500 hot meals a week to the homeless in Central London.
3. Provided lunches/meals free of charge this summer to school children in collaboration with Lord Mayor of London / QPR Football Club and Ealing Council.
4. Carried out 63 eye camps.

Total of 7170 patients' examined:

1115 surgeries carried resulting in given gift of sight.
6055 given primary treatment and eye drops.

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

7. Between 80 to 100 volunteers give their time every week.

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 Tesco Fair Share, Harrow Food Bank to distribute free food in Central London.

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Financial review

The charity made a surplus of £551,500 (2016: £717,870) and accumulated reserves in surplus of £3,873,929 (2016: 3,322,429) 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.

The charity takes the fundraising regulations seriously. The charity raises funds through donations received from visitors to the Mandhir. Fundraising from individuals is carefully controlled following industry guidelines and no cold calling takes place. No professional fundraisers were used during the year.

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.

Funds which are restricted at the end of the reporting period total £764,706.

Investments

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

The Trustees have decided to adopt a cautious approach to investment and have their funds spread in multiple deposit accounts until the funds are needed for the construction of the temple. A review of the investment policy and returns is undertaken at Trustee meetings during the year.

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

FOR THE YEAR ENDED 31 DECEMBER 2017

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.

Significant events

The Mandir was demolished on 17 September 2016 to rebuild a new temple and community centre. The construction of the new temple and the community centre is under progress.

This has led to higher expenses during 2016 and 2017, most noticeably causing a large increase in rent. 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. In 2019 when the new Temple and Community Centre are complete, these costs will be reduced.

Plans for the future

The redevelopment of the New Temple and Community Centre is in the process of construction and anticipated completion by Mid 2019.

Key management personnel

The trustees represent the key management personnel for the Charity and are not remunerated for undertaking these duties.

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 Jethalal Rajani
Jayendrakumar Hansraj Morjaria
Kishorkumar Dayalal Ghelani
Shaneel Hirani
Vinodlal Manilal Kanabar

(Appointed 29 April 2018)

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

FOR THE YEAR ENDED 31 DECEMBER 2017

Charity registration number:
1104605

Principal office:
39-41 Oldfield Lane,
South Greenford,
Middlesex
UB6 9LB

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 Samji Davda
Trustee
Dated: 25 October 2018

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2017

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial 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 financial statements, 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 financial statements; and
- prepare the financial statements 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 financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the 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 TRUSTEES OF RAGHUVANSHI MAHAJAN LONDON ('RAMA')

Opinion

We have audited the financial statements of Raghuvanshi Mahajan London ('RAMA') (the 'charity') for the year ended 31 December 2017 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2017 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Other matter

Your attention is drawn to the fact that the charity has prepared financial statements 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 financial statements 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

Acre House
11-15 William Road
London
NW1 3ER

29 October 2018

H W Fisher & Company is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under 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 2017

| | Notes | Unrestricted funds general £ | Unrestricted funds designated £ | Restricted funds £ | Total 2017 £ | Total 2016 £ |
|---|-------|---------------------------------------|--|--------------------------|--------------------|--------------------|
| <u>Income from:</u> | | | | | | |
| Donations and legacies | 3 | 674,502 | - | 534,932 | 1,209,434 | 1,409,622 |
| Other trading activities | 4 | 5,000 | - | - | 5,000 | - |
| Investments | 5 | 19,451 | - | - | 19,451 | 27,194 |
| Total income | | 698,953 | - | 534,932 | 1,233,885 | 1,436,816 |
| <u>Expenditure on:</u> | | | | | | |
| Raising funds | 6 | 31,858 | - | - | 31,858 | 32,411 |
| <u>Charitable activities</u> | | | | | | |
| Advancement of Hindu Culture, Education & Religion | 7 | 135,786 | - | - | 135,786 | 164,572 |
| Social Welfare Activities for the Community | 7 | 209,751 | 304,990 | - | 514,741 | 521,963 |
| Total charitable expenditure | | 345,537 | 304,990 | - | 650,527 | 686,535 |
| Total resources expended | | 377,395 | 304,990 | - | 682,385 | 718,946 |
| Net incoming resources before transfers | | 321,558 | (304,990) | 534,932 | 551,500 | 717,870 |
| Gross transfers between funds | | (304,990) | 919,152 | (614,162) | - | - |
| Net income/(expenditure) for the year/ Net movement in funds | | 16,568 | 614,162 | (79,230) | 551,500 | 717,870 |
| Fund balances at 1 January 2017 | | 159,885 | 2,318,608 | 843,936 | 3,322,429 | 2,604,559 |
| Fund balances at 31 December 2017 | | 176,453 | 2,932,770 | 764,706 | 3,873,929 | 3,322,429 |

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 2017

| | | 2017 | | 2016 | |
|---|-------|-----------|-----------|-----------|-----------|
| | Notes | £ | £ | Restated | £ |
| Fixed assets | | | | | |
| Tangible assets | 12 | | 1,737,041 | | 1,125,794 |
| Current assets | | | | | |
| Stocks | 14 | 9,765 | | 20,430 | |
| Debtors | 15 | 51,010 | | 52,527 | |
| Investments | 16 | 1,858,692 | | 1,396,899 | |
| Cash at bank and in hand | | 288,769 | | 788,731 | |
| | | | 2,208,236 | | 2,258,587 |
| Creditors: amounts falling due within one year | 17 | (71,348) | | (61,952) | |
| Net current assets | | | 2,136,888 | | 2,196,635 |
| Total assets less current liabilities | | | 3,873,929 | | 3,322,429 |
| Income funds | | | | | |
| Restricted funds | 19 | | 764,706 | | 843,936 |
| <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 | | 600,000 | |
| Assets under construction | | 772,686 | | 158,524 | |
| | 20 | 2,932,770 | | 2,318,608 | |
| General unrestricted funds | | 176,453 | | 159,885 | |
| | | | 3,109,223 | | 2,478,493 |
| | | | 3,873,929 | | 3,322,429 |

The financial statements were approved by the Trustees on 25 October 2018

Sharad Trikamlal Bhimjiyani
Trustee

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

| | Notes | 2017 £ | £ | 2016 £ | £ |
|--|-------|-----------|--------------------|-------------|--------------------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 24 | | 558,065 | | 674,787 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (615,685) | | (80,708) | |
| Purchase of investments | | (461,793) | | (1,396,899) | |
| Interest received | | 19,451 | | 27,194 | |
| Net cash used in investing activities | | | (1,058,027) | | (1,450,413) |
| Financing activities | | | | | |
| Repayment of borrowings | | - | | (200,000) | |
| Net cash used in financing activities | | | - | | (200,000) |
| Net decrease in cash and cash equivalents | | | (499,962) | | (975,626) |
| Cash and cash equivalents at beginning of year | | | 788,731 | | 1,764,357 |
| Cash and cash equivalents at end of year | | | 288,769 | | 788,731 |

RAGHUVANSHI MAHAJAN LONDON ('RAMA')
(SHREE JALARAM MANDIR - GREENFORD)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

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

The financial statements 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.

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 2017

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 buildings 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:

| | |
|--------------------------------|-------------------|
| 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 2017

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.

Deposits with maturities greater than 3 months are shown as current investments. The comparatives for 2016 have been restated for consistency.

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 2017

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.

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.

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3 Donations and legacies

| | Unrestricted funds general | Restricted funds | Total 2017 | Total 2016 |
|--|----------------------------------|---------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Donations and gifts | 674,502 | 534,932 | 1,209,434 | 1,409,622 |
| For the year ended 31 December 2016 | <u>675,307</u> | <u>734,315</u> | | <u>1,409,622</u> |
| Donations and gifts | | | | |
| Box collection and miscellaneous income | 559,502 | 534,932 | 1,094,434 | 1,324,622 |
| Gifts in kind | 115,000 | - | 115,000 | 85,000 |
| | <u>674,502</u> | <u>534,932</u> | <u>1,209,434</u> | <u>1,409,622</u> |

4 Other trading activities

| | 2017 | 2016 |
|---------------|--------------|----------|
| | £ | £ |
| Rental income | 5,000 | - |
| | <u>5,000</u> | <u>-</u> |

5 Investments

| | 2017 | 2016 |
|---------------------|---------------|---------------|
| | £ | £ |
| Interest receivable | 19,451 | 27,194 |
| | <u>19,451</u> | <u>27,194</u> |

All of the investment income arises from money held in interest bearing deposit accounts. All investment income in 2017 and 2016 was unrestricted.

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6 Raising funds

| | 2017 | 2016 |
|---|-------------|-------------|
| | £ | £ |
| <u>Costs of generating donations and legacies</u> | | |
| Fund raising social events | 30,708 | 29,391 |
| Advertising | 1,150 | 3,020 |
| | <hr/> | <hr/> |
| Costs of generating donations and legacies | 31,858 | 32,411 |
| | <hr/> | <hr/> |

All costs of generating donations and legacies in 2017 and 2016 relate to unrestricted funds.

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7 Charitable activities

| | Advancement of Hindu Culture, Education & Religion £ | Social Welfare Activities for the Community £ | Total 2017 £ | Total 2016 £ |
|--|---|--|-----------------------------|-----------------------------|
| Staff costs | 36,962 | 138,154 | 175,116 | 180,670 |
| Light and heat | 7,726 | 18,027 | 25,753 | 13,732 |
| Social events - food | - | 206,300 | 206,300 | 160,098 |
| Repairs and maintenance | 4,181 | 4,182 | 8,363 | 6,416 |
| Printing, postage and stationery | 2,056 | - | 2,056 | 5,893 |
| Telephone and fax | 5,900 | - | 5,900 | 2,746 |
| Insurance | 6,336 | - | 6,336 | 8,047 |
| Sundry | 672 | - | 672 | 1,310 |
| Bank charges | 2,773 | - | 2,773 | 1,255 |
| Parking | - | - | - | 5,817 |
| Rent | 32,778 | 76,481 | 109,259 | 88,808 |
| Subscriptions | 1,416 | - | 1,416 | 1,475 |
| Staff training | 261 | - | 261 | - |
| License fees | - | - | - | 8,333 |
| | <u>101,061</u> | <u>443,144</u> | <u>544,205</u> | <u>484,600</u> |
| Grant funding of activities (see note 8) | 20,605 | - | 20,605 | 24,765 |
| Share of support costs (see note 9) | 11,962 | 65,457 | 77,419 | 169,285 |
| Share of governance costs (see note 9) | 2,158 | 6,140 | 8,298 | 7,885 |
| | <u>135,786</u> | <u>514,741</u> | <u>650,527</u> | <u>686,535</u> |
| Analysis by fund | | | | |
| Unrestricted funds - general | 135,786 | 209,751 | 345,537 | |
| Unrestricted funds - designated | - | 304,990 | 304,990 | |
| | <u>135,786</u> | <u>514,741</u> | <u>650,527</u> | |
| For the year ended 31 December 2016 | | | | |
| 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> |

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8 Grants payable

| | 2017 £ | 2016 £ |
|---|---------------|---------------|
| Grants to institutions and individuals: | | |
| Institutions | 14,029 | 18,332 |
| Individuals | 6,576 | 6,433 |
| | <u>20,605</u> | <u>24,765</u> |

9 Support costs

| | Support costs £ | Governance costs £ | 2017 £ | 2016 £ | Basis of allocation |
|-------------------------------|--------------------|-----------------------|---------------|----------------|---------------------|
| Depreciation | 4,438 | - | 4,438 | 8,094 | |
| Cleaning and waste collection | 20,543 | - | 20,543 | 109,102 | |
| Security, health and safety | 52,438 | - | 52,438 | 51,870 | |
| Staff training | - | - | - | 219 | |
| Audit fees | - | 7,363 | 7,363 | 6,085 | Governance |
| Legal and professional | - | 935 | 935 | 1,800 | Governance |
| | <u>77,419</u> | <u>8,298</u> | <u>85,717</u> | <u>177,170</u> | |
| Analysed between | | | | | |
| Charitable activities | <u>77,419</u> | <u>8,298</u> | <u>85,717</u> | <u>177,170</u> | |

Governance costs includes payments to the auditors of £7,363 (2016: £6,085) for audit fees.

10 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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11 Employees

Number of employees

The average monthly number employees during the year was:

| | 2017 | 2016 |
|-------------------------|-------------------|-------------------|
| | Number | Number |
| Operational | 13 | 16 |
| | <u> </u> | <u> </u> |
| Employment costs | 2017 | 2016 |
| | £ | £ |
| Wages and salaries | 164,966 | 168,584 |
| Social security costs | 8,495 | 9,641 |
| Other pension costs | 1,655 | 2,445 |
| | <u> </u> | <u> </u> |
| | <u>175,116</u> | <u>180,670</u> |

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

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12 Tangible fixed assets

| | Land and buildings | Assets under construction | Fixtures, fittings & equipment | Motor vehicles | Total |
|------------------------------------|--------------------|---------------------------|--------------------------------|----------------|-----------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 January 2017 | 960,084 | 158,524 | 20,543 | 2,500 | 1,141,651 |
| Additions | - | 614,162 | 1,523 | - | 615,685 |
| Disposals | - | - | - | (2,500) | (2,500) |
| At 31 December 2017 | 960,084 | 772,686 | 22,066 | - | 1,754,836 |
| Depreciation and impairment | | | | | |
| At 1 January 2017 | - | - | 13,382 | 2,475 | 15,857 |
| Depreciation charged in the year | - | - | 4,413 | 25 | 4,438 |
| Eliminated in respect of disposals | - | - | - | (2,500) | (2,500) |
| At 31 December 2017 | - | - | 17,795 | - | 17,795 |
| Carrying amount | | | | | |
| At 31 December 2017 | 960,084 | 772,686 | 4,271 | - | 1,737,041 |
| At 31 December 2016 | 960,084 | 158,524 | 7,161 | 25 | 1,125,794 |

On 17 September 2016 the old temple included within land and buildings was demolished. A new temple and community centre are under construction and the costs incurred to date are shown as assets under construction, on completion, these will be transferred to land and buildings.

Included in land and buildings is a flat which is used in the undertaking of the charity's objectives in providing religious services.

The trustees have undertaken an impairment review of land and buildings 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 following the demolition of the old temple.

13 Financial instruments

| | 2017 | 2016 |
|---|-----------|-----------|
| | £ | £ |
| Carrying amount of financial assets | | |
| Debt instruments measured at amortised cost | 2,000 | - |
| Equity instruments measured at cost less impairment | 1,858,692 | 1,396,899 |
| Carrying amount of financial liabilities | | |
| Measured at amortised cost | 68,821 | 55,853 |

14 Stocks

| | 2017 | 2016 |
|-------------|-------|--------|
| | £ | £ |
| Food stocks | 9,765 | 20,430 |

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15 Debtors

| | 2017 | 2016 |
|---|---------------|---------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Other debtors | 2,000 | - |
| Prepayments and accrued income | 49,010 | 52,527 |
| | <u>51,010</u> | <u>52,527</u> |

16 Current asset investments

| | 2017 | 2016 |
|----------------------|------------------|-----------------------|
| | £ | Restated £ |
| Unlisted investments | 1,858,692 | 1,396,899 |
| | <u>1,858,692</u> | <u>1,396,899</u> |

17 Creditors: amounts falling due within one year

| | 2017 | 2016 |
|------------------------------------|---------------|---------------|
| | £ | £ |
| Other loans | 17,000 | 17,000 |
| Other taxation and social security | 2,527 | 6,099 |
| Other creditors | 16,428 | 21,974 |
| Accruals and deferred income | 35,393 | 16,879 |
| | <u>71,348</u> | <u>61,952</u> |

18 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 £1,655 (2016: £2,445).

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19 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:

| | Balance at 1 January 2017 | Movement in funds | | Balance at 31 December 2017 |
|--|------------------------------|-----------------------|-----------------------|--------------------------------|
| | | Incoming resources | Resources expended | |
| | £ | £ | £ | £ |
| Mandir and community hall development fund | 843,936 | 534,932 | (614,162) | 764,706 |

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

20 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:

| | Balance at 1 January 2017 | Movement in funds | | | Balance at 31 December 2017 |
|---|------------------------------|-----------------------|-----------------------|-----------|--------------------------------|
| | | Incoming resources | Resources expended | Transfers | |
| | £ | £ | £ | £ | £ |
| Existing land reserve | 960,084 | - | - | - | 960,084 |
| Mandir and community hall development fund | 600,000 | - | - | - | 600,000 |
| Sadavrat Fund | 600,000 | - | (304,990) | 304,990 | 600,000 |
| Assets under construction | 158,524 | - | - | 614,162 | 772,686 |
| | 2,318,608 | - | (304,990) | 919,152 | 2,932,770 |

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 £304,990 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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FOR THE YEAR ENDED 31 DECEMBER 2017

21 Analysis of net assets between funds

| | Unrestricted funds £ | Designated funds £ | Restricted funds £ | Total £ |
|---|----------------------------|--------------------------|--------------------------|------------------|
| Fund balances at 31 December 2017 are represented by: | | | | |
| Tangible assets | 4,271 | 1,732,770 | - | 1,737,041 |
| Current assets/(liabilities) | 172,182 | 1,200,000 | 764,706 | 2,136,888 |
| | <u>176,453</u> | <u>2,932,770</u> | <u>764,706</u> | <u>3,873,929</u> |

22 Operating lease commitments

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

| | 2017 £ | 2016 Restated £ |
|-----------------|-----------|-----------------------|
| Within one year | - | 101,959 |

23 Related party transactions

There were no related party transactions during the year (2016- none).

24 Cash generated from operations

| | 2017 £ | 2016 £ |
|---|----------------|----------------|
| Surplus for the year | 551,500 | 717,870 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (19,451) | (27,194) |
| Depreciation and impairment of tangible fixed assets | 4,438 | 8,094 |
| Movements in working capital: | | |
| Decrease in stocks | 10,665 | 410 |
| Decrease/(increase) in debtors | 1,517 | (34,377) |
| Increase in creditors | 9,396 | 9,984 |
| Cash generated from operations | <u>558,065</u> | <u>674,787</u> |