

THE PROJECT MALA CHARITABLE TRUST
UNAUDITED ANNUAL REPORT
FOR THE YEAR ENDED
31 MARCH 2015

Charity Number 801953

THE PROJECT MALA CHARITABLE TRUST

UNAUDITED ANNUAL REPORT

YEAR ENDED 31 MARCH 2015

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THE PROJECT MALA CHARITABLE TRUST

OFFICERS AND PROFESSIONAL ADVISERS

Registered charity name	The Project Mala Charitable Trust
Charity number	801953
Principal office	25 Church Lane Nether Poppleton York YO26 6LF
Trustees	Robin Garland (Chairman) Peter Scopes MA (Cantab) David Hopton MD FRCS Patrick Scott MA PGCE George Robinson BA (Treasurer) Anne Bate BA PGCE DIP SPLD
Independent examiner	Brett Davis FCA Townends Accountants LLP Fulford Lodge 1 Heslington Lane Fulford York YO10 4HW
Bankers	The Royal Bank of Scotland 6 Nessgate York YO1 9FY The Cooperative Bank P O Box 250 Delf House Southway Skelmersdale WN8 6WT

THE PROJECT MALA CHARITABLE TRUST

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2015

The trustees present their report and the unaudited Unaudited Annual Report of the charity for the year ended 31 March 2015.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1 of the unaudited annual report.

THE TRUSTEES

The trustees who served the charity during the period were as follows:

Robin Garland (Chairman)
Peter Scopes MA (Cantab)
David Hopton MD FRCS
Nigel Hildred
Patrick Scott MA PGCE
George Robinson BA (Treasurer)
Anne Bate BA PGCE DIP SPLD

Nigel Hildred retired as a trustee on 22 February 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trust Deed and Objectives

The Trust is operated under the Trust Deed dated 7 August 1989 and is a Registered Charity No. 801953.

The principal objective of the Charity is the advancement of education and the relief of poverty amongst children in India.

Principal Activities

The Trust supports the operation of six primary, three middle and one secondary school in the State of Uttar Pradesh in Northern India, supporting over 1,200 children in full time education. The education covers up to 8 years and grades 1-10 of the national curriculum. Most of these children would have grown up illiterate without the benefit of our work. Nutrition and health care are provided for all pupils.

Governance

The Charity is administered by a Board of Trustees supported by volunteers plus remunerated administrative support as required. There are presently seven Trustees and all administrative work is based at our office in York and from the homes of volunteers. There are no employees.

Trustees Recruitment and Training

New Trustees are recruited as needs arise and to ensure that an appropriate range of skills and experience is brought to the management of the Trust. Appointments are made by existing Trustees and training is given by them and officials of the charity.

Risk management

A review of the major risks to which the Charity is exposed has been conducted. Systems have been established to mitigate these risks and these procedures are periodically reviewed.

THE PROJECT MALA CHARITABLE TRUST

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2015

Investment policy

Due to falling interest rates, the Trustees decided to invest part of the reserves in gilts and equities. These had been managed by T D Waterhouse but were transferred during the year to Redmayne Bentley. The Trustees consider the returns to be satisfactory.

ACHIEVEMENTS AND PERFORMANCE

The education project in India continues to progress. The exam results for the current year have been spectacular, with many of our children receiving distinctions and merit awards. For the third year running, all of our children in secondary school passed the Uttar Pradesh exams and all passed in first grade. 29 of the 31 children in class 10 got marks over 70%.

During the year we have been putting special effort into teacher training and, in particular, the teaching of English. We have difficulty in finding competent English teachers in our rural location. To help with this problem we have been using phonics training together with Muzzy, DVD and Linguaphone courses which are helping both children and teachers to become more confident English speakers. We also now have a small laboratory at Guria School for the secondary children.

Public Benefit

In setting out our objectives and planning our activities, the Trustees have complied with the duty under the Charities Act 2011 to have due regard to the public benefit guidance published by the Charities Commission.

The main beneficiaries at this stage are children in the Uttar Pradesh state of Northern India who receive education, nutrition and health care through funding provided by the Trust.

FINANCIAL REVIEW

- Income of £204,669 included £110,302 from sponsors and donors in the UK, Australia and several other countries and £59,765 in the U.S.A. We are particularly pleased to see a strong growth in corporate support in the U.S.A.

- Charitable Trusts provided a further £12,450.

- Gift Aid relief from UK sponsors provided £18,000.

- The Building Fund gained £9,025 to total £21,525 at the year end and this has now allowed the project to be put in hand at Guria.

- The reserves held in our share portfolio produced a gain of £5,642.

- Funds spent on our charitable activities totalled £168,577 (82% of our income) of which £161,279 was sent to support our schools in India, compared to £132,809 in the previous year.

- The Balance Sheet value at 31 March 2015 was £166,528 (2014: £157,760).

Reserves policy

The Trustees adopt the advice of the Charity Commission in seeking to maintain an adequate level of unrestricted funds to support ongoing work. The Balance Sheet value represents a 12 months' reserve for our current level of charitable expenditure.

PLANS FOR FUTURE PERIODS

Our main aim for next year is to extend our secondary facilities. Currently we can only accommodate children for years 9 and 10. Building work has started and we hope to have it completed so the current year 10 will continue with us for years 11 and 12 rather than transferring to local schools as they have previously had to do.

THE PROJECT MALA CHARITABLE TRUST

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2015

Overseas support

The schools in India are operated by our sister charity registered in India, 'The Children Emancipation Society' which shares our chairman and is rigorously controlled from the UK. All schools operate under the 'Project Mala' name. Project Mala supplies approximately 80% of the costs incurred in India, the balance being raised within the country. Efforts are being made to increase the domestic funding so that in the longer term there is less reliance on grants from overseas.

INDEPENDENT EXAMINER

Brett Davis FCA

Townends Accountants LLP has been re-appointed as independent examiner for the ensuing year.

25 Church Lane
Nether Poppleton
York
YO26 6LF

Signed on behalf of the trustees

R Garland
Chair of Board of Trustees

26 May 2015

THE PROJECT MALA CHARITABLE TRUST
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE
PROJECT MALA CHARITABLE TRUST
YEAR ENDED 31 MARCH 2015

I report on the accounts of the charity for the year ended 31 March 2015 which are set out on pages 7 to 13.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

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

INDEPENDENT EXAMINER'S STATEMENT

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

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

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

THE PROJECT MALA CHARITABLE TRUST
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE
PROJECT MALA CHARITABLE TRUST *(continued)*

YEAR ENDED 31 MARCH 2015

Brett Davis FCA
Townends Accountants LLP
Independent examiner

Fulford Lodge
1 Heslington Lane
Fulford
York
YO10 4HW

26 May 2015

THE PROJECT MALA CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2015

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	191,492	9,025	200,517	190,304
Activities for generating funds	3	1,572	-	1,572	4,102
Investment income	4	2,580	-	2,580	2,142
TOTAL INCOMING RESOURCES		<u>195,644</u>	<u>9,025</u>	<u>204,669</u>	<u>196,548</u>
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	5	(21,731)	-	(21,731)	(25,932)
Charitable activities	6	(168,577)	-	(168,577)	(137,998)
Governance costs	7	(11,235)	-	(11,235)	(11,212)
TOTAL RESOURCES EXPENDED		<u>(201,543)</u>	<u>-</u>	<u>(201,543)</u>	<u>(175,142)</u>
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES					
OTHER RECOGNISED GAINS AND LOSSES	8	(5,899)	9,025	3,126	21,406
Gains on investments		5,642	-	5,642	5,189
NET MOVEMENT IN FUNDS		(257)	9,025	8,768	26,595
RECONCILIATION OF FUNDS					
Total funds brought forward		145,260	12,500	157,760	131,165
TOTAL FUNDS CARRIED FORWARD		<u>145,003</u>	<u>21,525</u>	<u>166,528</u>	<u>157,760</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 9 to 13 form part of these Unaudited Annual Report.

THE PROJECT MALA CHARITABLE TRUST

BALANCE SHEET

31 MARCH 2015

	Note	2015 £	£	2014 £	£
FIXED ASSETS					
Tangible assets	10		-		-
Investments	11		<u>67,684</u>		<u>60,075</u>
			67,684		60,075
CURRENT ASSETS					
Debtors	12	4,560		6,677	
Cash at bank		<u>94,968</u>		<u>91,908</u>	
		99,528		98,585	
CREDITORS: Amounts falling due within one year	13	<u>(684)</u>		<u>(900)</u>	
NET CURRENT ASSETS			98,844		97,685
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>166,528</u>		<u>157,760</u>
NET ASSETS			<u>166,528</u>		<u>157,760</u>
FUNDS					
Restricted income funds	14		21,525		12,500
Unrestricted income funds	15		<u>145,003</u>		<u>145,260</u>
TOTAL FUNDS			<u>166,528</u>		<u>157,760</u>

These Unaudited Annual Report were approved by the trustees and authorised for issue on the 26 May 2015 and are signed on their behalf by:

R Garland
Trustee

G Robinson
Trustee

The notes on pages 9 to 13 form part of these Unaudited Annual Report.

THE PROJECT MALA CHARITABLE TRUST
NOTES TO THE UNAUDITED ANNUAL REPORT
YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES

Basis of accounting

The Unaudited Annual Report have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets, and in accordance with applicable United Kingdom accounting standards and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to, and virtually certain to receive, the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates: Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity. All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource.

Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Fixed Assets

All fixed assets are initially recorded at cost.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.

THE PROJECT MALA CHARITABLE TRUST
NOTES TO THE UNAUDITED ANNUAL REPORT
YEAR ENDED 31 MARCH 2015

2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Donations				
Donations and similar incoming resources	74,650	6,375	81,025	55,199
Individual child sponsorship	89,042	-	89,042	83,907
Tax refunds from Gift Aid	18,000	-	18,000	21,098
Legacies				
Legacies	-	-	-	25,000
Grants receivable				
Grants from Charitable Trusts	9,800	2,650	12,450	5,100
	<u>191,492</u>	<u>9,025</u>	<u>200,517</u>	<u>190,304</u>

3. INCOMING RESOURCES FROM ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Carpet sales	773	773	1,693
Fundraising events	403	403	1,952
Miscellaneous income	396	396	457
	<u>1,572</u>	<u>1,572</u>	<u>4,102</u>

4. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Bank interest and dividends receivable	2,580	2,580	2,142

5. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Donations and sponsorship	21,731	21,731	25,932

6. COSTS OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Funding to India £	Support costs £	Total Funds 2015 £	Total Funds 2014 £
Distribution to overseas programme	161,279	7,298	168,577	137,998

THE PROJECT MALA CHARITABLE TRUST
NOTES TO THE UNAUDITED ANNUAL REPORT
YEAR ENDED 31 MARCH 2015

7. GOVERNANCE COSTS

	Unrestricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Accountancy fees	684	684	–
Audit fees	(120)	(120)	991
Trustees' insurance	265	265	265
Sundry expenses	266	266	104
Secretarial and administration costs	10,140	10,140	9,840
Postage, stationery and telephone	–	–	12
	<u>11,235</u>	<u>11,235</u>	<u>11,212</u>

8. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging/(crediting):

	2015 £	2014 £
Auditors' remuneration: - audit of the financial statements	<u>(120)</u>	<u>991</u>

9. STAFF COSTS AND EMOLUMENTS PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the trustees, during the year.

10. TANGIBLE FIXED ASSETS

	Office Equipment £
COST	
At 1 April 2014 and 31 March 2015	<u>6,918</u>
DEPRECIATION	
At 1 April 2014 and 31 March 2015	<u>6,918</u>
NET BOOK VALUE	
At 31 March 2015	<u>–</u>
At 31 March 2014	<u>–</u>

THE PROJECT MALA CHARITABLE TRUST
NOTES TO THE UNAUDITED ANNUAL REPORT
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11. INVESTMENTS

Movement in market value

	2015 £	2014 £
Market value at 1 April 2014	60,075	52,840
Acquisitions at cost	10,571	15,722
Disposals at opening book value	(7,738)	(13,784)
Net gains on revaluations in the year ended 31 March 2015	4,776	5,297
Market value at 31 March 2015	<u>67,684</u>	<u>60,075</u>
Historical cost at 31 March 2015	<u>51,780</u>	<u>49,771</u>

Analysis of investments at 31 March 2015 between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Listed investments				
UK Quoted Shares	67,290	-	67,290	59,613
Other investments				
UK Cash held as part of Portfolio	394	-	394	462
	<u>67,684</u>	<u>-</u>	<u>67,684</u>	<u>60,075</u>

12. DEBTORS

	2015 £	2014 £
Other debtors	<u>4,560</u>	<u>6,677</u>

13. CREDITORS: Amounts falling due within one year

	2015 £	2014 £
Accruals	<u>684</u>	<u>900</u>

14. RESTRICTED INCOME FUNDS

	Balance at 1 Apr 2014 £	Incoming resources £	Balance at 31 Mar 2015 £
Building Fund	<u>12,500</u>	<u>9,025</u>	<u>21,525</u>

The Building Fund is the 2014 appeal which aims to raise funds for two new classrooms and a new boys' dormitory.

THE PROJECT MALA CHARITABLE TRUST
NOTES TO THE UNAUDITED ANNUAL REPORT
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15. UNRESTRICTED INCOME FUNDS

	Balance at 1 Apr 2014 £	Incoming resources £	Outgoing resources £	Gains and losses £	Balance at 31 Mar 2015 £
General Funds	<u>145,260</u>	<u>195,644</u>	<u>(201,543)</u>	<u>5,642</u>	<u>145,003</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Investments £	Net current assets £	Total £
Restricted Income Funds:			
Building Fund	-	21,525	21,525
Unrestricted Income Funds	<u>67,684</u>	<u>77,319</u>	<u>145,003</u>
Total Funds	<u>67,684</u>	<u>98,844</u>	<u>166,528</u>