

Registered Charity: registered in England and Wales No. 1120353

## **The Friends of Baale Mane, Gopalapura**

REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED  
31 March 2016

# The Friends of Baale Mane, Gopalapura

---

## FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2016

Charity registration number: 1120353

Registered office: 29 Stoatley Rise  
Haslemere  
Surrey  
GU27 1AG

Trustees: Chris Harrison Chairman  
Sandeep Dwesar  
Eileen Peach ( resigned 14 Oct 2016)  
Matt Clarke  
Balraj Tandon  
Mark Hodgkinson  
Paula Patel Treasurer  
Hannie Wilkinson

Secretary: Mark Hodgkinson

Bankers: CAF Bank Ltd  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4QJ

Independent examiner: Naresh Alimchandani  
6 Holland Close  
Stanmore  
Middx HA7 3AN

# The Friends of Baale Mane, Gopalapura

---

## INDEX TO THE ACCOUNTS

	Page
Trustees' Report	4-7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Notes to the Accounts	11-13

# The Friends of Baale Mane, Gopalapura

---

## TRUSTEES' ANNUAL REPORT FOR THE PERIOD ENDED 31 March 2016

### Aims and Organisation

The Friends of Baale Mane (which means girls' hostel), Gopalapura ("The Friends") was established and formally registered as a charity in 2007 with the broad objectives of advancing education, relieving poverty, preserving and protecting the health of young people up to the age of 21, living in India.

Within these broad objectives, the charity focuses its activities on working with The Baale Mane Trust, a charity operating in Bangalore, India. Our combined focus is to operate The Baale Mane, a home for disadvantaged and abandoned girl children, located just outside of Bangalore, India. We provide girl children with a happy, healthy and secure home environment, aiming to enable them to lead self-sustaining adult lives. We do this through our care-planning programmes, a focus on teaching life skills, awareness about child and girls rights and a strong emphasis on both formal education and creative expression.

The Board of Trustees of The Friends of Baale Mane Gopalapura consists of the Chairman, Treasurer and at least one other Trustee. New Trustees are selected on the recommendation of all the trustees based on the expectation that they will bring additional skills to the Board and will be active in the promotion of the aims of the charity. They are appointed by a resolution at general meetings. Trustees serve for periods of three years before re-election. None of the trustees receive any remuneration for their services.

The Trustees make decisions in periodic meetings with regard to the application of funds in respect of the management of the Friends and grants payable. The trustees are also actively involved in decisions affecting the operating model for the Baale Mane, and members of the Board of Trustees participate annually in a strategy setting session, which is held at The Baale.

The organisation's governing document is a declaration of trust dated 12 July 2007. The financial statements comply with current statutory requirements and the Foundation's governing document.

### Review of Financial Activities and Affairs

We raised £45,033 from donations during the financial year. Funds come from a mixture of private individuals and charitable trusts. Since we began fundraising, in excess of 400 individuals have supported us and the generosity of our supporters continues to delight and inspire us.

We did not hold any fundraising events during the year. The £1,164 of fundraising expenses represent costs of the small event for loyal donors held during the previous financial year.

The total funds that we raised during the year were more than the previous year. Nonetheless, expenditure still exceeded income by £11,704, leaving us with only £17,495 of funds at the year end.

Our long-term strategy is to focus on increasing funds raised within India. To support this objective, we hired Tiggy Allen, a UK national based in Bangalore to act as a full-time fundraiser. This was a new departure as we have never previously spent money to raise funds and we have always prided ourselves on the fact that our costs have been extremely low. We now recognise, that for our model to be sustainable, we must invest in generating income. As a social enterprise we need to drive our income in addition to managing our costs.

Tiggy arrived in the summer of 2015 and is already having a significant impact. Most significantly our participation in the annual TCS 10K Run in May 2016 raised Rs12 Lakh (approximately £13,000) and we have also secured significant donations from two US Foundations, who we hope will become long term supporters. We have also secured new corporate supporters who are donating time and materials to support our work. More information on these and other activities will be provided in our combined Annual Report (with The Baale Mane Trust) which will be published and available on our website soon.

## The Friends of Baale Mane, Gopalapura

---

In another important development we have invested significantly in our social media and also in creating platforms for online giving in India. This seems to be exploding in the country and we are striving to capitalise on the increased giving by India's highly digitally connected emerging middle class.

Despite these excellent developments, we are committed to donating £40,000 to The Baale Mane Trust in the year to 31 March 2017 and the cost of our team of two in India will continue at the current level -- a cost of approximately £12,000.

To meet these commitments, we need to increase our income. In the current year, we have made a significant start with a highly successful fundraising event at the Barbican Centre in May 2016 which both exceeded our expectations and introduced us to a number of new supporters.

In November 2015, as has become our annual practice, three of our trustees visited Bangalore to spend time with the local management team and the trustees of the Baale Mane Trust in continuing to develop the strategy for the home. The agenda ranged across many issues with a continuing focus both on the girls living in the home and the increasing number of older girls who now live and study in the city of Bangalore. These visits by the trustees are a critical part of our governance of the Baale Mane and supplemented with regular communications by email and Skype.

Aside from Tiggy Allen, referred to above we are supported by Emily Parkes, our External Relations Manager, who joined us in May 2015. Emily has settled in well and is making a great contribution, in particular in developing specific pathways and opportunities for our older girls. We would like to thank Emily, Tiggy and all of the staff for their dedicated work during the year.

Tiggy and Emily divide their time between the Baale and the City. This has been made much easier now that we have an office in the city of Bangalore, and we'd like to thank IVolunteer, who have made space available to us in their offices at a very small cost.

### Risk Management

The Trustees have identified the major risks to which the Friends are exposed, and are satisfied that systems are in place to mitigate those risks. In particular, all cash funds are held in a separate bank account, with two signatories required for all payments. As funds are passed to the beneficiaries within a short period of time, no investments other than cash balances are held at present. Should sufficient funds become available, these will be held in low risk, accessible, interest bearing accounts.

The Trustees consider the other major risk faced by The Friends to be that funds might be used by donees for non-designated purposes. The Trustees consider that this risk is mitigated by the trust that has been built up between themselves and the Trustees of The Baale Mane Trust, and the fact that certain of the Trustees visit the Baale on a regular basis, enabling them to report back on progress. We have also been actively involved in developing the financial processes at The Baale.

Funds for capital projects are only advanced to the beneficiaries, on receipt of detailed and costed project plans. Funds for operational expenditure are sent in advance against a budget which has been drawn up in close collaboration with The Friends, and actual expenditure is reported monthly. The accounts of the Baale Mane Trust are audited and the Chairman of The Friends meets with the auditors to discuss the accounts and ideas for process improvements together with the treasurer of The Baale Mane Trust on at least an annual basis.

Another critical aspect of our risk assessment is the quality of the governance within The Baale Mane Trust. The trustees meet monthly, and we receive minutes of all of their meetings. On visits to India, trustees of The Friends also participate in their meetings and together form an advisory Council which has an agreed constitution.

The Trustees regularly review the charity's risk assessment.

# The Friends of Baale Mane, Gopalapura

---

## Volunteering

The Baale has continued to receive the support of overseas volunteers during the year, and in particular Adie Keen, who has visited for several weeks in each of the last three years and has played a critical role in developing our care procedures. Adie is an experienced social worker. In India, many people volunteer their services for short periods of time through direct contact with The Baale Mane Trust and we have also recently developed a corporate relationship with EY which is developing well.

## Reserves

Reserves are defined by the Charity Commission as unrestricted and freely available for the charity to spend in respect of its charitable purposes. Reserves are held to provide a capital sum from which income and/or capital will be applied for the charitable purposes.

We continue to review our reserves policy and consider that it is appropriate to hold reserves equivalent to at least 9 months' commitment to operating expenses, which at present amounts to around £39,000. It should be noted that, at the year-end, we were not in a position to comply with this reserves policy.

## Post Balance Sheet Events

There have been no significant events affecting the charity since the year end and none are anticipated.

## Investment Policy

The investment policy of the trustees is to hold any surplus funds in low risk, accessible, interest bearing accounts.

## Trustees

The trustees during the year were those listed on page 2 of the report and financial statements . We would like to thank Eileen who resigned as a Trustee on 14 Oct 2016 for her tremendous support over many years.

Paula Patel has become Treasurer following Eileen's resignation.

None of the trustees receives any remuneration for their services.

The trustees meet regularly. As all trustees are involved in the activities of The Friends, these meetings necessarily include discussions of operational issues. However, time is set aside at all meetings to consider governance issues and formal matters pertaining to the proper running of the charity.

From time to time, the trustees will incur necessary expenses, in particular in visiting the Baale Mane in India. The costs of such visits are kept to a minimum, and wherever possible, visits are combined with other reasons to visit India. The trustees are individually and collectively committed to ensuring that any costs are exceeded by their own personal contributions to The Friends.

# The Friends of Baale Mane, Gopalapura

---

## Trustees' Responsibilities for the Financial Statements

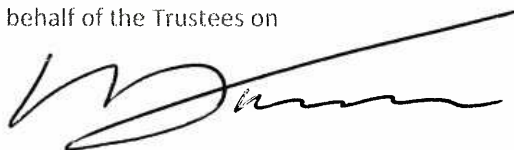
Charity law in the United Kingdom requires the Trustees to prepare financial statements recording the results of the Foundation's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the accounting requirements of the Charities Act 2011;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Foundation and which enable them to ascertain the financial position of the Foundation and to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the Foundation and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed for and on behalf of the Trustees on

Chris Harrison



14 October 2016

# The Friends of Baale Mane, Gopalapura

---

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report on the Financial Statements for the period ended 31 March 2016 which are set out on pages 9 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
- follow the procedures laid down in the general directions given by the commission under section 145(5)(b) of the 2011 Act
- 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 next statement.

### Independent Examiner's Statement

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

- i 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 Act; and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Acthave not been met; or
- ii to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Naresh Alimchandani ACA

14 October 2016





# The Friends of Baale Mane, Gopalapura

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 MARCH 2016

	Note	Unrestricted General Fund £	Designated Funds £	2016 Total £	2015 Total £
<b>Incoming Resources</b>					
Voluntary income		45,005	-	45,005	31,580
Activities for generating funds	3	-	-	-	-
Investment income		28	-	28	32
<b>Total Incoming Resources</b>		<b>45,033</b>	<b>-</b>	<b>45,033</b>	<b>31,612</b>
<b>Resources Expended</b>					
<b>Costs of Generating Funds</b>					
Costs of generating voluntary income		1,164	-	1,164	-
Fundraising trading costs		-	-	-	-
<b>Charitable Activities</b>					
Charitable donations	4	41,239	-	41,239	43,743
Aid worker costs		11,202	-	11,202	9,176
Other resources expended		763	-	763	518
<b>Governance Costs</b>					
Bank charges	5	642	-	642	708
Trustee expenses		1,727	-	1,727	1,138
<b>Total Resources Expended</b>		<b>56,737</b>	<b>-</b>	<b>56,737</b>	<b>55,283</b>
<b>Net incoming/(outgoing) resources Before transfers</b>		<b>(11,704)</b>	<b>-</b>	<b>(11,704)</b>	<b>(23,671)</b>
<b>Total funds carried forward</b>		<b>(11,704)</b>	<b>-</b>	<b>(11,704)</b>	<b>(23,671)</b>

# The Friends of Baale Mane, Gopalapura

---

## BALANCE SHEET AS AT 31 MARCH 2016

	Notes	2016	2015
		£	£
<b>CURRENT ASSETS</b>			
Cash at bank		17,495	29,060
Taxation debtor		-	-
Other debtors		-	139
		17,495	29,199
		17,495	29,199
<b>CURRENT LIABILITIES</b>			
		-	-
		-	-
<b>NET CURRENT ASSETS</b>			
		17,495	29,199
		17,495	29,199
<b>TOTAL ASSETS</b>			
		17,495	29,199
		17,495	29,199
<b>RESERVES</b>			
Unrestricted general fund	6	(520)	2,455
Designated funds	7	18,015	26,744
		17,495	29,199
		17,495	29,199

The financial statements were approved by the Board of Trustees on 14 October 2016.



Chris Harrison

# The Friends of Baale Mane, Gopalapura

---

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2016

### 1. Going Concern

The accounts are prepared on a going concern basis as, in the opinion of the trustees, funds raised in our fundraising event in May 2016 as referred to in the report of the trustees, together with regular donations received and receivable, together with funds that can reasonably be expected from our periodic fundraising initiatives will be sufficient to meet our pledges to The Baale Mane Trust for a period of at least twelve months from the date of signing these accounts.

### 2. Accounting Policies

#### Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Charities Act 2011.

The principal accounting policies of the charity are set out below.

#### Incoming Resources

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

All donations received in response to notification of a fundraising event are included under 'Activities for Generating Funds', even if the individual does not participate in the event.

Tax credits associated with donations under Gift Aid are credited as income in the same category as the underlying donation.

#### Investment Income

Investment income, including associated income tax recoveries, is recognised when receivable.

#### Resources Expended

Resources expended are accounted for in the period in which the charity becomes obliged to make a transfer of value to a third party. The irrecoverable VAT element of VAT is included within the item of expense to which it relates.

Where an item of expenditure falls directly within one category it is attributed to that category only. Where expenditure involves more than one category it is apportioned on a reasonable and justifiable basis.

Charitable donations are payments the charity makes voluntarily to other institutions or individuals in order to further its objectives. They are charged in the Statement of Financial Activities in the year in which they are payable.

#### Fund Accounting

Unrestricted General Funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity at the discretion of the Trustees.

Designated Funds are funds set aside by the Trustees out of unrestricted general funds for specific purposes or projects.

# The Friends of Baale Mane, Gopalapura

## NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 MARCH 2016

### 3. Activities for generating funds

	2016	2015
	£	£
Charity dinner and gift auction	-	-
	<u>-</u>	<u>-</u>

### 4. Charitable Donations

	2016	2015
	£	£
Donee:		
Donation to Nepal Fund	400	-
Baale Mane Trust	40,839	43,743
	<u>41,239</u>	<u>43,743</u>

### 5. Governance Costs

No trustee received any remuneration in the period. Trustee expenses represent costs of individual trustees travelling to India to meet with the Trustees of The Baale Mane Trust and review progress with the project in India.

The Independent examiner received no remuneration for his services.

### 6. Fund Movements

	At 31 March 2015	Income	Expenses	Transfers	At 31 March 2016
	£	£	£	£	£
Unrestricted General fund	2,455	45,033	(56,737)	8,729	(520)
Designated Funds	<u>26,744</u>	=	=	<u>(8,729)</u>	<u>18,015</u>

# The Friends of Baale Mane, Gopalapura

---

## 7. Analysis of Net Assets Between Funds

	Unrestricted Fund £	Designated Funds £	Total £
Cash at bank and in hand	(520)	18,105	17,495
Debtors	-	-	-
Current Liabilities	-	-	-
	<hr/>	<hr/>	<hr/>
	(520)	18,015	17,495
	<hr/>	<hr/>	<hr/>

Subsequent to the year -end donors of certain of the designated funds have been asked to confirm that these can be used for general purposes so that a transfer between funds can be made in the current financial year. As at the date of signing the accounts, donors of £5,100 of the designated funds have confirmed that their donations can be used for general purposes.

## 8. Related Party Transactions

Although donations to The Friends by the trustees are not required to be disclosed, the trustees choose to disclose their collective donations by reference to their commitment to ensuring that their collective donations exceed the cost of administering The Friends. The collective donations by the trustees during the period amounted to £9,530 (2015-£3,435).

There were no other related party transactions.

