

The Charity Registration Number is :- 1079120

Ragalla Aid Project  
Report and Accounts  
31 July 2018

## **Ragalla Aid Project**

### **Report and accounts for the year ended 31 July 2018**

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## **Ragalla Aid Project**

### **Trustees' Annual Report for the year ended 31 July 2018**

The Trustees present their Report and Accounts for the year ended 31 July 2018.

#### **Reference and administrative details**

##### ***The charity name.***

The legal name of the charity is:- Ragalla Aid Project

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1079120

##### ***Legal structure of the charity***

The governing document of the charity is the Trust Deed establishing the charity.

The only restriction in the governing document is that aid must be given solely to person's resident on the island of Sri Lanka.

There are no other restrictions on the operation of the charity or on its investment powers, other than those imposed by general charity law.

The trustees are all individuals.

##### **The principal operating address, telephone number, email and web addresses of the charity are:-**

Wayside  
Winchester Road, Waltham Chase  
Southampton, SO32 2LN  
Telephone: 01489 890162  
Website: [www.ragalla.org](http://www.ragalla.org)

##### **The Trustees in office on the date the report was approved were:-**

Mrs Pene Gordon (who has stepped down due to ill health)  
Miss Wendy Gordon (Secretary)  
Mr Brian Catlin (Treasurer and acting Chair)  
Mrs Sally Awdry  
Mr Graham Gordon

##### **The following persons served as Trustees during the year ended 31 July 2018 :-**

The trustees who served as a trustee in the reporting period were as shown above, and there were no changes during the year, or in the period between the year end and the approval of the accounts.

All the trustees are also members of the charity.

## **Ragalla Aid Project**

### **Trustees' Annual Report for the year ended 31 July 2018**

#### **Objects and activities of the charity**

##### ***The purposes of the charity as set out in its governing document.***

The charity is governed by a trust deed in which the objects are set out as follows:

1. To relieve the need, hardship and distress of persons resident on the island of Sri Lanka. This object is achieved by the provision of monetary gifts/ grants to individual beneficiaries. The beneficiaries will be selected by the Executive Committee and personal financial circumstances and needs will be examined thoroughly, generally including a personal interview during a visit by an Executive Committee member to Sri Lanka.

Generally gifts/ grants will be distributed as regular payments (e.g. monthly) to assist recipients with money management. The list of recipients will be reviewed regularly by the Executive Committee and discussed with the members of the charity at each A.G.M.

Generous donations continue to be received for on-going general projects. Needs are identified through local contacts and gifts/ grants disseminated and the end results monitored to ensure correct usage.

2. To promote the education, welfare and health of children on the island of Sri Lanka. This object is achieved by supplying school requisites, educational materials and uniforms to schools selected by the Executive Committee. Also by providing monetary gifts/ grants to support child care and child health facilities in areas of Sri Lanka selected by the committee.

Also by giving talks and distributing publicity materials in the United Kingdom to increase awareness for example amongst UK school children and also adult groups of the situation of children in poor areas of Sri Lanka.

##### ***The main activities undertaken during the year to further the charity's purpose for the public benefit and the degree to which beneficiaries and the wider public have benefitted.***

The Trustees have complied with Section 4 of the 2006 Charities Act to give due regard to the public benefit. The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity and believe that the Charity meets its obligation in this respect because its purpose is the relief of people of all ages and gender who are in need, hardship and distress, and the promotion of children's education, welfare and health on the island of Sri Lanka. The Trustees will continue to review the activities of the Charity to ensure that these are consistent with the legal objects set out in its constitution.

## **Ragalla Aid Project**

### **Trustees' Annual Report for the year ended 31 July 2018**

#### ***The short term and longer term aims and objectives.***

Short term - continuance of support for smaller on-going projects on a monthly basis.

#### ***The charity's strategies for achieving its aims and objectives in the future.***

2017/18 has been a further year of consolidation with support continuing to our numerous on-going smaller projects. Any request for funding for larger projects will only be considered if the required funds are offered by donors prior to any final commitment. The pre-school builds mentioned above are cases in point.

To check on progress of some projects and identify new relief needs, two fact finding trips were undertaken at the participant's own expense during the year. This proved invaluable in updating needs, consolidating our network of local contacts and disseminating aid to those in need. We record our grateful thanks to Pene, Graham and Wendy Gordon who visited families and centres in October 2017 and Brian and Vivienne Catlin who visited in February / March 2018.

With the level of giving from donors having dropped over the last couple of years it was useful to identify that a number of pre-schools were now able to fund themselves locally (particularly the five centres in the Trincomalee area and two Anglican-run centres nearer to Colombo). We were able to cease funding these at the end of 2017.

Reports from our local network of helpers in Sri Lanka indicate that the various children's homes and feeding centres supported by Ragalla were continuing to function well and doing a wonderful job for the local people.

#### ***Grant making policies and how these contributed to the achievement of the charity's aims and objectives during the year.***

During 2017/18 gifts totaling £33,880 were given from Unrestricted funds to the charity's 'normal' on-going support to beneficiaries.

Restricted funds – The sum of £7,480 was in hand from 2016/17. Gifts totaling £5,000 were received during 2017/18, with donations given to beneficiaries amounting to £7,480. This leaves a balance in hand of £5,000 at the financial year end (which is earmarked for the building of another new pre-school in the next financial year).

Designated funds – there are none presently held.

## **Ragalla Aid Project**

### **Trustees' Annual Report for the year ended 31 July 2018**

#### **The main achievements and performance of the charity during the year.**

The board of trustees are satisfied with the performance of the charity during the year and the position as at 31 July 2018 and consider that the charity is in a position to continue its activities during the coming year and that the charity's assets are adequate to fulfill its obligations.

The particular ways in which objectives have been achieved are described below:

Contributions from volunteers - the day to day affairs of the charity are attended to by the trustees on a voluntary basis. Voluntary individuals also assist with the running of sales/ cake and preserve stalls, etc. as required.

Intangible income - the charity has no intangible income.

Achievement of objectives - on an on-going basis the charity continues to support:

- funding of education for four students at university level, four at A-level, one youngster at college. Three others continue to attend special schools for the mentally impaired.
- assisting 13 families needing support (1. Father & breadwinner murdered. 2 Three orphans taken in by an aunt. 3. A diabetic amputee. 4. Widows with small children.)
- supporting five pensioners to enable them to live more comfortably.
- also six special cases are being supported – four girls and two boys who are either physically or mentally handicapped or both.
- providing three crèches with milk and biscuits on a regular basis.
- providing the main source of support for a Day Care Centre in Bandarawela for 30 under-privileged four year olds. Uniforms, including socks and shoes are provided. The children are given breakfast and lunch each day plus vitamin tablets and healthchecks.. The two teachers and the warden have their salaries paid by us. School books and craft materials are also provided and children are also given school bags, books and anoraks when they leave the DCC and start at their primary schools.
- the project is continuing to support The Colombo Centre for Special Education, which gives respite and educational care for mentally handicapped men, aged 18+ (no upper age limit). Giving lessons in reading, writing, maths, money, cooking, dance, exercise, playacting and sports.
- Eleven feeding centres / pre-schools for children are funded for a nutrition food programmes with the provision of midday meals and some school equipment. Also we support teachers in 5 of the Centres by supplementing their very low wages.
- three homes for elderly destitutes are assisted and one of these receives a grant for protein nourishment for the elders (one for ladies and two for men and women).
- two convents where mentally & physically handicapped or unwanted babies are cared for are helped with foodstuffs and cleaning resources.
- food parcels have been given to families during the October 2017 visit.
  
- the girl's home for semi-orphans at Mahiladithivu on the east coast (originally built by Ragalla after the tsunami) has again been running well for the past year. The on-going running costs for this home are funded by Ragalla Aid Project on a monthly basis. 16 girls aged between 11 - 18 live here with two carers and a cook. They attend the local school, returning daily to the home.
- two new Pre-School / Feeding Centre buildings have been funded during the year at Pattipithanmadu and Kallady in the North and East of the island respectively. Both already had children and teachers but no buildings in which to meet. Funding came from two most generous donors for which we are very grateful. The centres were officially opened in October 2017. Further funding has been received during the latter part of the financial year for a further pre-school to be sited at Karuverpenkerny – funds to be dispatched in August 2018.

The Charity has dispatched some £33,880 from Unrestricted Funds during the 2017/18 financial year and £7,480 from Restricted Funds.

## **Ragalla Aid Project**

### **Trustees' Annual Report for the year ended 31 July 2018**

#### ***Fundraising activities during the year.***

The charity relies on gifts from donors, both regular sponsors of Sri Lankan children / families and general giving from the wider public who have heard of our work through friends and supporters. In line with many other charities we have lost a number of sponsors who have felt obliged to cancel their monthly standing orders. However, by utilizing previously accumulated reserves, we have been able to continue supporting our existing on-going beneficiaries. During the year we have received a number of significant personal donations and one charitable trust lump sum donation. Some of these donations were utilized to build two new Pre-Schools during the year (for which purpose they were specifically given). Hence the reduction shown in the balance in hand. The Trustees wish to record their grateful thanks for the loyalty of donors.

Sponsors are secured and maintained through information meetings given voluntarily by various trustees from time to time at the request of groups, clubs, etc. and by the production of periodic newsletters which are mailed to all sponsors.

Modest fund raising to meet UK administration costs comes from trustees and friends running sales. These are operated on a voluntary basis.

#### **Structure, governance and management of the charity**

##### ***The methods used to recruit and appoint new charity trustees.***

The trustees are elected by the members annually at the AGM with the existing trustees standing down but offering themselves for re-election where appropriate. The number of trustees shall not be less than two and not more than six in total. Individuals will be invited to become new trustees when required, after considering the skills and expertise they can offer.

##### ***The policies and procedures for the induction and training of trustees.***

New trustees will be provided with copies of the trust deed, recent accounts and minutes of previous trustee meetings to enable them to ascertain the financial, legal, organization and charitable objectives of the trust. They will also be provided with a copy of Charity Commission publication CC3 and made aware of the other information and advice available from the Charity Commission.

##### ***The charity's organisational and decision making structure.***

The board of trustees meets at least twice a year as a full board to discuss future plans and to ratify actions taken since their last meeting. The day to day outworking of the plans is undertaken by two trustees (consulting by telephone / e-mail where necessary with other trustees).





## **Ragalla Aid Project**

### **Trustees' Annual Report for the year ended 31 July 2018**

#### ***Policies on reserves, investment policies and investment performance.***

The trustees have resolved to maintain reserves, where possible, sufficient for three months of anticipated normal operation. Our normal operations have historically been funded in the main by regular sponsors and it is expected that this policy will continue for the foreseeable future.

The present investment policy is to keep funds in liquid form as projects often require to be undertaken at short notice. With overall funds having diminished in the last two years the Trustees agreed at the last A.G.M. to close the CAF Cash, CAF Gold and Lloyds Treasury Fixed Term Account in late 2017 and consolidate all funds in our Lloyds Bank Charity Current Account (as reflected in the accounts).

Monitoring of investment policy and surplus funds is undertaken by the trustees at their periodic meeting and by the treasurer on a day to day basis.

#### ***Availability and adequacy of assets of each of the funds***

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

#### ***Independent Examiner under the Charities Act and details of their qualification***

An independent examination of the accounts was carried out free of charge for which the trustees would like to record their most grateful thanks. The examination was carried out by:

David Warren

Member of the Institute of Financial Accountants

Seven Oaks, Clewers Hill

Waltham Chase

Southampton

Hampshire

SO32 2LN

## **Ragalla Aid Project**

### **Trustees' Annual Report for the year ended 31 July 2018**

#### **Statement of Trustees's Responsibilities**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) .

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act 2011. 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.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 1 October 2018.

MR B CATLIN  
Trustee

## **Ragalla Aid Project**

### **Report of the Independent Examiner to the Trustees of the charity on the accounts for the year ended 31 July 2018**

I report on the financial statements of the charity on pages 11 to 24 for the year ended 31 July 2018 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) adapted to meet the needs of unincorporated organisations, as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) published by the Charity Commission in England & Wales (CCEW), effective January 2015 (The SORP), under the historical cost convention and the accounting policies set out on page 16.

#### **Respective responsibilities of the Trustees and the Independent Examiner**

As described on page 8, the charity's Trustees are responsible for the preparation of the accounts.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the Governing Document for the conducting of an audit. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the charity is not subject to audit under any legal provision, or otherwise, and is eligible for independent examination, it is my responsibility to:-

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

#### **Basis of Independent Examiner's Statement and scope of work undertaken**

I conducted my examination in accordance with the General Directions given by the Charity Commission under section 145(5)(b) of the Act, setting out the duties of an Independent Examiner in relation to the conducting of an Independent Examination. An Independent Examination includes a review of the accounting records kept by the charity and of the accounting systems employed by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that the financial statements comply with the SORP, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries, and consequently I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the Independent Examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

#### **Independent Examiner's Statement, Report and Opinion**

Subject to the limitations upon the scope of my work as detailed above, in connection with my examination, I can confirm that :-

## **Ragalla Aid Project**

This is a report in respect of an examination carried out under 145 of the Act and in accordance with General Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no matter has come to my attention in connection with my examination which gives me reasonable cause to believe that in any material respect the requirements :-

to keep accounting records in accordance with with Section 130 of The Charities Act 2011;

when preparing accounts on an accruals basis, to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the Act and the Regulations setting out the form and content of charity accounts;

have been prepared in accordance with The Charities Act 2011. and with the methods and principles set out in the FRS102 Statement of Recommended Practice - Accounting and Reporting by Charities (effective January 2016)

have not been met or to which, in my opinion, attention should be drawn in my report in order to enable a proper understanding of the accounts to be reached;

David Warren - Independent Examiner

Institute of Financial Accountants

Seven Oaks, Clewers Hill

Waltham Chase

Southampton

Hampshire

SO32 2LN

This report was signed on 1 October 2018

## Ragalla Aid Project - Statement of Financial Activities for the year ended 31 July 2018

### Statement of Financial Activities for the year ended 31 July 2018

	SORP Ref	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
		2018 £	2018 £	2018 £	2017 £
<b>Income &amp; Endowments from:</b>					
Donations & Legacies	A1	47,577	5,000	52,577	43,775
Investments	A4	121	-	121	238
<b>Total income</b>	<b>A</b>	<b>47,698</b>	<b>5,000</b>	<b>52,698</b>	<b>44,013</b>
<b>Expenditure on:</b>					
Raising funds	B1	755	-	755	364
Charitable activities	B2	34,614	7,480	42,094	58,612
<b>Total expenditure</b>	<b>B</b>	<b>35,369</b>	<b>7,480</b>	<b>42,849</b>	<b>58,976</b>
<b>Net income/(expenditure) for the year</b>		<b>12,329</b>	<b>(2,480)</b>	<b>9,849</b>	<b>(14,963)</b>
<b>Net income after transfers</b>	<b>A-B-C</b>	<b>12,329</b>	<b>(2,480)</b>	<b>9,849</b>	<b>(14,963)</b>
<b>Net movement in funds</b>		<b>12,329</b>	<b>(2,480)</b>	<b>9,849</b>	<b>(14,963)</b>
<b>Reconciliation of funds:-</b>					
<b>Total funds brought forward</b>	<b>E</b>	15,799	7,480	23,279	38,242
<b>Total funds carried forward</b>		<b>28,128</b>	<b>5,000</b>	<b>33,128</b>	<b>23,279</b>

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All activities derive from continuing operations

The notes attached on pages 16 to 24 form an integral part of these accounts.

## Ragalla Aid Project - Statement of Financial Activities for the year ended 31 July 2018

### Ragalla Aid Project - Analysis of prior year total funds, as required by paragraph 4.2 of the SORP

	SORP Ref	Prior Year		Prior Year
		Unrestricted Funds	Restricted Funds	Total Funds
		2017	2017	2017
		£	£	£
<b>Income &amp; Endowments from:</b>				
Donations & Legacies	A1	34,716	9,059	<b>43,775</b>
Investments	A4	238	-	<b>238</b>
<b>Total income</b>	<b>A</b>	<u>34,954</u>	<u>9,059</u>	<u>44,013</u>
<b>Expenditure on:</b>				
Raising funds	B1	364	-	<b>364</b>
Charitable activities	B2	51,874	6,738	<b>58,612</b>
<b>Total expenditure</b>	<b>B</b>	<u>52,238</u>	<u>6,738</u>	<u>58,976</u>
Net gains on investments	B4	-	-	-
<b>Net expenditure for the year</b>		(17,284)	2,321	<b>(14,963)</b>
<b>Transfers between funds</b>	<b>C</b>	-	-	-
<b>Net income after transfers</b>		<u>(17,284)</u>	<u>2,321</u>	<u>(14,963)</u>
<b>Reconciliation of funds:-</b>				
<b>Total funds brought forward</b>		33,083	5,159	<b>38,242</b>
<b>Total funds carried forward</b>		<u>15,799</u>	<u>7,480</u>	<u>23,279</u>

#### All activities derive from continuing operations

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.'

The notes attached on pages 16 to 24 form an integral part of these accounts.

## Ragalla Aid Project - Statement of Financial Activities for the year ended 31 July 2018

### Ragalla Aid Project - Resources applied in the year ended 31 July 2018 towards fixed assets for Charity use:-

	2018 £	2017 £
Funds generated in the year as detailed in the SOFA	9,849	(14,963)
<b>Net resources available to fund charitable activities</b>	<b>9,849</b>	<b>(14,963)</b>

The notes attached on pages 16 to 24 form an integral part of these accounts.

### Movements in revenue and capital funds for the year ended 31 July 2018

#### Revenue accumulated funds

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Last year Total Funds 2017 £
Accumulated funds brought forward	15,799	7,480	23,279	38,242
Recognised gains and losses before transfers	12,329	(2,480)	9,849	(14,963)
	<b>28,128</b>	<b>5,000</b>	<b>33,128</b>	<b>23,279</b>
<b>Closing revenue funds</b>	<b>28,128</b>	<b>5,000</b>	<b>33,128</b>	<b>23,279</b>

#### Summary of funds

	Unrestricted and Designated funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Last Year Total Funds 2017 £
Revenue accumulated funds	28,128	5,000	33,128	23,279

The notes attached on pages 16 to 24 form an integral part of these accounts.

## Ragalla Aid Project - Statement of Financial Activities for the year ended 31 July 2018

### Ragalla Aid Project Income and Expenditure Account for the year ended 31 July 2018 as required by the Companies Act 2006

	2018	2017
	£	£
<b>Income</b>		
Income from operations	52,577	43,775
Investment income		
Interest receivable	121	238
<b>Gross income in the year before exceptional items</b>	<b>52,698</b>	<b>44,013</b>
<b>Gross income in the year including exceptional items</b>	<b>52,698</b>	<b>44,013</b>
<b>Expenditure</b>		
Charitable expenditure, excluding depreciation and amortisation	42,094	58,612
Fundraising costs	755	364
Realised losses on disposals of social investments which are programme related	-	-
<b>Total expenditure in the year</b>	<b>42,849</b>	<b>58,976</b>
<b>Net income before tax in the financial year</b>	<b>9,849</b>	<b>(14,963)</b>
Tax on surplus on ordinary activities	-	-
<b>Net income after tax in the financial year</b>	<b>9,849</b>	<b>(14,963)</b>
<b>Retained surplus for the financial year</b>	<b>9,849</b>	<b>(14,963)</b>

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

**The notes attached on pages 16 to 24 form an integral part of these accounts.**



## Ragalla Aid Project - Balance Sheet as at 31 July 2018

	SORP		2018	2017
	Note	Ref	£	£
<b>Current assets</b>		B		
Cash at bank and in hand		B4	33,128	23,279
<b>Net current assets</b>			33,128	23,279
<b>The total net assets of the charity</b>			<u>33,128</u>	<u>23,279</u>

The total net assets of the charity are funded by the funds of the charity, as follows:-

<b>Restricted funds</b>				
Restricted Revenue Funds	8	D2	5,000	7,480
<b>Unrestricted Funds</b>				
Unrestricted Revenue Funds	8	D3	28,128	15,799
<b>Designated Funds</b>				
<b>Total charity funds</b>			<u>33,128</u>	<u>23,279</u>

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

The Trustees acknowledge their responsibilities for complying with the requirements of charity legislation with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 10.

The Trustees are satisfied that, although the charity is not registered under the Companies Acts, if it were so registered, it would be eligible to prepare accounts in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.

### MR B CATLIN

Trustee

Approved by the board of trustees on 1 October 2018

The notes attached on pages 16 to 24 form an integral part of these accounts.

# Ragalla Aid Project

## Notes to the Accounts for the year ended 31 July 2018

### 1 Accounting policies

#### *Policies relating to the production of the accounts.*

##### **Basis of preparation and accounting convention**

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) published by the Charity Commission in England & Wales (CCEW) ,effective January 2016, (The SORP), and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

##### **Risks and future assumptions**

The charity is a public benefit entity. There are no significant adjustments to the entries in these accounts arising from judgements or assumptions made by the Trustees and no entries which require adjustment in future periods.

#### *Policies relating to categories of income and income recognition.*

##### **Nature of income**

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

##### **Categories of Income**

Income is categorised as income from exchange transactions (contract income) and income from non-exchange transactions (gifts), investment income and other income.

**Income from exchange transactions** is received by the charity for goods or services supplied under contract or where entitlement is subject to fulfilling performance related conditions. The income the charity receives is approximately equal in value to the goods or services supplied by the charity to the purchaser.

**Income from a non-exchange transaction** is where the charity receives value from the donor without providing equal value in exchange, and includes donations of money, goods and services freely given without giving equal value in exchange.

##### **Income recognition**

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

## Ragalla Aid Project

### Notes to the Accounts for the year ended 31 July 2018

#### Donated goods, facilities and services

**Donated fixed assets** are recognised at the current fair value. All such donations are recognised as donation income, and debited to fixed assets.

**Donated goods that are not fixed assets** are accounted for at a fair value, unless it is impractical to reliably measure the value of the donated items.

In the absence of any direct evidence of fair value of donated goods, then a value is derived from the cost of the item to the donor or, in the case of goods that are expected to be sold, the estimated resale value after deducting any anticipated costs of sales.

If it is impracticable to measure the fair value of goods donated for resale, or the costs of valuation outweigh the benefits, the donated goods are recognised as income when sold, with an equivalent amount being recognised as an expense.

The costs of goods donated for distribution to beneficiaries is deemed to be the fair value of those goods upon receipt. When the goods are distributed freely or for a nominal consideration, then the carrying amount is adjusted at the time of sale, to the value at the point of distribution and the adjustment is shown as a cost of donations made.

The carrying amount of any stock held for distribution is assessed for impairment at the reporting date. All donated goods are recognised as donation income, and debited to trading stock. When trading stock is subsequently sold, or appropriated to meet an expense, then the carrying value of the stock is recognised as an expense. In accordance with the SORP, goods donated for distribution to beneficiaries, or for consumption by the charity are included in '*legacies and donations*'. Goods donated for resale are included in '*Income from other trading activities*'

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt. If the goods held are to be distributed freely or for a nominal consideration, then the carrying amount is subsequently adjusted to reflect the lower of deemed cost adjusted for any loss of service potential and replacement cost. Replacement cost is the economic cost incurred if the charity was to replace the service potential of the donated goods at its own expense in the most economic manner.

**Donated services and facilities** (including seconded staff and use of property) are included in the accounts on the basis of the value of the gift to the charity.

All donated services and facilities are recognised as donation income when received, (provided the value of the gift can be measured reliably) and recognised as an expense with an equivalent value.

#### ***Policies relating to expenditure on goods and services provided to the charity.***

#### **Recognition of liabilities and expenditure**

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

# Ragalla Aid Project

## Notes to the Accounts for the year ended 31 July 2018

### **Volunteers**

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity.

However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 4.

### ***Policies relating to assets, liabilities and provisions and other matters.***

### **Cash and bank balances**

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

## **2 Liability to taxation**

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

## **3 Winding up or dissolution of the charity**

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

## **4 The contribution of volunteers**

The charity depends on the support of its volunteers, which is much appreciated. The charity administration is undertaken by the trustees on a voluntary basis and other volunteers assist with the running of various fund raising events. Due to the difficulty of calculating a financial value of volunteer time and achievements this has not been recognised in the Statement of Financial Activities. The volunteers and the charity accept and agree that no contract of employment is created by these arrangements.

## **5 Remuneration and payments to Trustees and persons connected with them**

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

## Ragalla Aid Project

### Notes to the Accounts for the year ended 31 July 2018

6 Income and Expenditure account summary	2018	2017
	£	£
<b>At 1 August 2017</b>	23,279	38,242
Surplus/(loss) after tax for the year	9,849	(14,963)
<b>At 31 July 2018</b>	<b>33,128</b>	<b>23,279</b>

### 7 Particulars of how particular funds are represented by assets and liabilities

<i>At 31 July 2018</i>	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Investments at valuation:- Current Assets	28,128	-	5,000	<b>33,128</b>
	<b>28,128</b>	<b>-</b>	<b>5,000</b>	<b>33,128</b>
<b>At 1 August 2017</b>	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Investments at valuation:- Current Assets	15,799	-	7,480	<b>23,279</b>
	<b>15,799</b>	<b>-</b>	<b>7,480</b>	<b>23,279</b>

### 8 Change in total funds over the year as shown in Note 7, analysed by individual funds

	Funds brought forward from 2017 £	Movement in funds in 2018  See Note 9 £	Transfers between funds in 2018 £	Funds carried forward to 2019 £
<i>Unrestricted and designated funds:-</i>				
Unrestricted Revenue Funds	15,799	12,329	-	<b>28,128</b>
<b>Total unrestricted and designated funds</b>	<b>15,799</b>	<b>12,329</b>	<b>-</b>	<b>28,128</b>
<i>Restricted funds:-</i>				
Restricted Educational Fund	7,480	(2,480)	-	<b>5,000</b>
<b>Total restricted funds</b>	<b>7,480</b>	<b>(2,480)</b>	<b>-</b>	<b>5,000</b>
<b>Total charity funds</b>	<b>23,279</b>	<b>9,849</b>	<b>-</b>	<b>33,128</b>

## Ragalla Aid Project

### Notes to the Accounts for the year ended 31 July 2018

#### 9 Analysis of movements in funds over the year as shown in Note 8

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2018	2018	2018	2018
	£	£	£	£
<b><i>Unrestricted and designated funds:-</i></b>				
Unrestricted Revenue Funds	47,698	(35,369)	-	12,329
<b><i>Restricted funds:-</i></b>				
Restricted Educational Fund	5,000	(7,480)	-	(2,480)
	<b>52,698</b>	<b>(42,849)</b>	<b>-</b>	<b>9,849</b>

#### 10 The purposes for which the funds as detailed in note 8 are held by the charity are:-

##### ***Unrestricted and designated funds:-***

Unrestricted Revenue Funds

These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.

##### ***Restricted funds:-***

Restricted Educational Fund

The purpose of this fund is to provide funds for building new schools and supporting the educational needs

#### 11 Ultimate controlling party

The charity is under the control of its legal members.

Every member of the charity has unlimited joint and several liability for the debts of the charity.

## Ragalla Aid Project

Detailed analysis of income and expenditure for the year ended 31 July 2018 as required by the SORP 2015

*This analysis is classified by conventional nominal descriptions and not by activity.*

### 12 Donations and Legacies

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2018 £	2018 £	2018 £	2017 £
<b>Donations and gifts from individuals</b>				
Small donations individually less than £1000	27,707	-	<b>27,707</b>	29,504
Gift Aid	5,631	-	<b>5,631</b>	5,212
Zoe Carss Educational Trust	4,000	-	<b>4,000</b>	5,000
Pene Gordon Open House and Birthday	1,006	-	<b>1,006</b>	2,559
Pene Gordon gift for pre-school build	-	-	-	1,500
A Tanner	3,300	-	<b>3,300</b>	-
H Stewart	1,000	-	<b>1,000</b>	-
A & C Hughes	1,000	-	<b>1,000</b>	-
Mrs R Neate decd (In Memoriam)	2,572	-	<b>2,572</b>	-
S Barrett-Smith decd (in Memoriam)	1,361	-	<b>1,361</b>	-
Elizabeth Buxton	-	5,000	<b>5,000</b>	-
<b>Total donations and gifts from individuals</b>	<b>47,577</b>	<b>5,000</b>	<b>52,577</b>	<b>43,775</b>
<b>Total Donations and Legacies A1</b>	<b>47,577</b>	<b>5,000</b>	<b>52,577</b>	<b>43,775</b>

### 13 Investment income

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2018 £	2018 £	2018 £	2017 £
Bank Interest Receivable	121	-	<b>121</b>	238
<b>Total investment income A4</b>	<b>121</b>	<b>-</b>	<b>121</b>	<b>238</b>

## Ragalla Aid Project

Detailed analysis of income and expenditure for the year ended 31 July 2018 as required by the SORP 2015

### 14 Expenditure on charitable activities- Grant funding of activities

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Grants made to individuals	16,568	475	<b>17,043</b>	25,024
Grants made to organisations	17,312	7,005	<b>24,317</b>	32,950
<b>Total grantmaking costs</b>	<b>33,880</b>	<b>7,480</b>	<b>41,360</b>	<b>57,974</b>



## Ragalla Aid Project

### Detailed analysis of income and expenditure for the year ended 31 July 2018 as required by the SORP 2015

#### Breakdown of Grants made to organisations

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Mahiladithivu Girls' Home	4,985	-	4,985	4,838
Bandarawela Day Care Centre	2,058	-	2,058	2,550
Ingiriya and Buena Vista Centres	1,025	-	1,025	2,170
SU.R.O.L. - Christmas Hampers	-	-	-	190
Methodist Elders' Home, Uppeveli, St Josephs	265	-	265	580
Colombo Centre for Special Education	2,058	-	2,058	1,970
Kandy Girls Home	265	-	265	560
Kandy Convents	-	-	-	1,080
Kalunenkerny/Thawali - Teacher Support	350	-	350	370
Poonochimunal Feeding Centre - Teachers	468	-	468	518
2 Convents in Kandy	526	-	526	-
5 Pre-Schools - bags for all children	302	-	302	-
Bethlehem House/M Mudali	-	-	-	1,200
Unnichai Feeding Centre - Teachers	468	-	468	518
Ratnapura Feeding Centre - Support and Teachers	527	-	527	1,080
Kegalle Elders Convent - support	265	-	265	540
Nediyamadu Feeding Centre - Teachers	468	-	468	518
Marambaikulam Feeding Centre - new building	-	-	-	3,000
Madukarai Feeding Centre - new building	-	-	-	3,000
Pattipithanmadu Feeding Centre - new building	-	4,000	4,000	-
Kallady Feeding Centre - new building	-	3,005	3,005	-
Rajadori Feeding Centre	468	-	468	518
Alles Garden	278	-	278	1,415
Kinniya	400	-	400	1,490
Anpuvalipuram	400	-	400	1,490
Athimodai	400	-	400	1,490
Lilkunjumalai (Mt Parrot)	400	-	400	1,490
Koddamunai Home	936	-	936	375
	<b>17,312</b>	<b>7,005</b>	<b>24,317</b>	<b>32,950</b>

Details of the purposes and benefits deriving from the grants listed above are disclosed in the Report of the Trustees.

## Ragalla Aid Project

Detailed analysis of income and expenditure for the year ended 31 July 2018 as required by the SORP 2015

### 15 Support costs for charitable activities

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
<b>Administrative overheads</b>				
Stationery and printing	317	-	317	328
<b>Financial costs</b>				
Bank charges	417	-	417	310
<b>Support costs before reallocation</b>	<b>734</b>	<b>-</b>	<b>734</b>	<b>638</b>
<b>Total support costs</b>	<b>734</b>	<b>-</b>	<b>734</b>	<b>638</b>

The basis of allocation of costs between activities is described under accounting policies

### 16 Total Charitable expenditure

		Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Total grantmaking costs	<b>B2c</b>	33,880	7,480	41,360	57,974
Total support costs	<b>B2d</b>	734	-	734	638
<b>Total charitable expenditure</b>	<b>B2</b>	<b>34,614</b>	<b>7,480</b>	<b>42,094</b>	<b>58,612</b>

### 17 Expenditure on raising funds and costs of investment management

		Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Cost of fundraising activities		755	-	755	364
<b>Total fundraising costs</b>	<b>B1</b>	<b>755</b>	<b>-</b>	<b>755</b>	<b>364</b>