

**LOTUS CARING HANDS**  
**TRUSTEES REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MARCH 2017**

**Company Registration Number: 06861610**  
**Charity Registration Number: 1132258**

**LOTUS CARING HANDS  
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**Registered charity number – 1132258  
Company number – 06861610**

## LOTUS CARING HANDS

### LEGAL AND ADMINISTRATIVE INFORMATION:

**Name & Charity Number:**

Company name: Lotus Caring Hands

Company registration number: 06861610

Charity registration number: 1132258

**Correspondence Address:**

Rye House, Suite 118,

113 High Street,

Ruislip, Middlesex

HA4 8JN

**Registered Office:**

Rye House, Suite 118,

113 High Street,

Ruislip, Middlesex

HA4 8JN

**Trustees:**

Shan Mylvaganam

Sandrasegara Sadachchara

Kanagasingam Thavaraj

Rasalingam Ahileswaran

Haran Thiru

**Bankers:**

HSBC

26- 28 St. Ann's Road,

Harrow, Middlesex

HA1 1LA.

**Accountant:**

SUPRA & CO LTD

48 Lulworth Drive,

Pinner, Middlesex,

HA5 1NE

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
LOTUS CARING HANDS  
YEAR ENDED 31 MARCH 2017**

I report on the accounts of the charity for the year ended 31 March 2017 which are set out on pages 2 to 8.

**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 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

**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
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the

  
.....  
A S Pirapagaren BA (Hons), ACPA  
SUPRA & CO LTD

Date: 07 December 2017

48 Lulworth Drive,  
Pinner, Middlesex,  
HA5 1NE



## LOTUS CARING HANDS

### Trustees Annual Report for the period ended 31 March 2017

The trustees present their report for the period from 1st April 2016 to 31 March 2017. This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the accounting provisions of the Companies Act 2006.

#### **Objectives and Activities**

The overall objective of the charity is the advancement of education for the benefit of public, particularly but not exclusively by the provision of financial assistance to students.

It is well documented that the 30 years long civil war has incurred great damaged in the livelihood of families particularly in North and East of Sri Lanka.

As a result, children and adult educations were greatly disturbed and the development and employment opportunities were hampered. Significant percentage of students are affected due to loss of family members, physiological damage (disability) and psychological damage (mental illness). Most cases those lost and damages are to bread winners of families and future of many of today youngsters are in question. Thousands of youngsters who left schools with minimal qualifications are facing harsh future with very much limited opportunities due to lack of skills development programs. Local and national government left with so much to do not only in children, youth and adult development but also in other area such as health, environment, transport, housing, etc. It is clear outside support is required in number of area to re-build the society. LCH believe Education is an important area to tackle and provide as much support as possible to help the society to move them forward and engage with them in numerous development programs.

LCH developed its core values based on improving awareness through providing easy access to education not just limited to academic qualification but also hands-on experience to gaining confidence and allow the participants to easily engage in employments.

The aim of the charity during the period has been to secure more sponsors and continue with our core aims and provide as much support as possible to needy children, youth and adults.

#### **Achievements and performance**

2016/2017 was another successful year; the charity has reached more and more people, online fundraising activity were expanded and more and more people taking part in our projects. Regular donations remain at similar level and charity is exploring new ways to increase regular donation. Coin box collection has seen slowing down due less number of volunteers involved, however number of business supporting it remain at similar level. The charity is drawing plans to improve the income generated from collection boxes. It is encouraging to see children, youth and their families are helping us in organising events and involved in fund raising. This financial year 3 young people involved in sporting challenge and raised fund via online.

Mahadeva Padipakam, a pioneering project started in 2012/2013 is still going strong. The project is supporting secondary school students from poor background with their studies, homework and addition tuition to improve their standard and keep them engage in education. Already over 250 students benefited from this and the centre is supporting approx. 50 students a year.

Fourth Vocational Training Centre (VTC) was open in Muhamalai in Kilinochchi district. The VTC was managed by our local partner National Association for Humanitarian Rehabilitation Operation (NAHRO) who are an NGO and registered charity in Sri Lanka. 17 students successfully completed the skill development program in April 2017 and this push the total over 55 students so far benefited from the program. Approx. 23% of them are in direct employment and estimated 8 - 12% of them are engaged in other form of employment. We received a good feedback and positive response from local about the VTC program and LCH is looking continue the program.

Educational sponsoring of students from poor background in Sri Lanka is continuing and now the charity is directly sponsoring five students at higher education and one student in secondary education. Developing relationship with local community and Charities in Sri Lanka and UK has seen significant improvements this financial year and the charity continuously working on this area.

Charity conducted a cultural and musical show in Feb 2017 to encourage young talents, promote LCH and raise fund. Over £7,000 was raised from the event and with tis money a total of £10,000 was allocated for an employment project in Kilinochchi district. The project was in association with Sivan Arull and currently four people are employed.

## **LOTUS CARING HANDS**

### **Future Plans**

The Trustees are aiming to increase the number of regular sponsors & corporate sponsors over the next three years and this financial year we have managed to raised £5,000 from corporate sponsorship.

The plan drawn to promote the charity is paying dividend, the charity is now known to more local than ever before. New and capable team is slowly developing. While continuing to attract talented adults, the charity now focusing on creating plan to encourage youngsters to involved in various volunteering activities.

### **Structure, Governance and Management**

#### **Governing Document**

The organisation is a non-profitable company limited by guarantee. The company was established under a Memorandum of Association which established the objects and powers of the non-profitable company and is governed under its Articles of Association. The company was incorporated on 27 March 2009. The company was registered as a charity on 22 October 2009.

#### **Recruitment and Appointment of the Trustees**

The directors of the company are also charity Trustees for the purposes of charity law.

The Trustees regularly review the skills and experience base of its board to reflect the needs of the organisation. Induction is seen as a key element in retaining and supporting Trustees.

#### **Management Committee Induction and Training**

New Trustees are given clear advice and support in relation to their obligations. All relevant documentation is made available including details of its resource, the current financial position as set out in the latest set of accounts and information about future plans and the strategic development of the Charity.

#### **Day-to-day management**

The Trustees currently undertake the day to day management of the charity due to its current small size. The charity currently has no employees. And the Trustees hope to establish the charity as volunteer based organisation and try to maintains the administration cost as low as possible.

### **Financial Review, investment policy and reserves**

#### **Financial review**

At 31 March 2017 the Charity had net assets of £58,517, all of which £25,674 is unrestricted and £23,671 is restricted funds.

The Trustees are confident that the Charity is financially secure to deliver its programme of activities for 2017/18.



## LOTUS CARING HANDS

### Investment policy

As reserves are currently at a low level, all funds are currently held on a bank current and instant access deposit account. Due to scale of the charity and its activities, Trustees do not have an immediate plan for long-term investments.

### Reserves policy

The Trustees aim to hold free reserves equal to 12 months' UK running costs. This is to ensure the continued running of the charity if unrestricted funding decreased, until new sources of funding were found. This gives a target for free reserves of around £500. The level of free reserves at 31 March 2017 was £58,517. If the free reserves are above the target level at 31 March 2017, the trustees will consider making an additional distribution of funds to Sri Lanka equal to the surplus.

### Risk Management

The Trustees are currently developing their risk management strategy which will include the following areas:

- Students protection policies in respect of charity Trustees who will visit Sri Lanka;
- Financial controls to ensure that sponsorship money is not misappropriated in either the UK or Sri Lanka.

### Statement of Trustees' Responsibilities

Charity law requires that Trustees prepare financial statements for each financial year which show a true and fair view of the state of affairs of the charity and its financial activities for that period. In preparing these statements, the Trustees are required to:

- a) select suitable accounting policies and then apply them consistently
- b) make judgements and estimates that are reasonable and prudent
- c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charitable Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the preventions and detection of fraud and other irregularities.

Signed on behalf of the  
Trustees:



Shan Mylvaganam

Date: 02 December 2017

## LOTUS CARING HANDS

### STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 MARCH 2017

Note	Unrestricted Funds £	Restricted Funds £	Total Funds Funds £
<b>INCOME AND EXPENDITURE</b>			
<b>Incoming resources from</b>			
<b>Generated funds:</b>			
Voluntary income - Members' subs	144	-	144
Donations	4,860	-	4,860
Sponsorship of children	-	-	-
Gift aid donations	-	-	-
Tax receivable on gift aid donations	-	-	-
Other donations less than £500	10,579	-	10,579
Income from Fund Raising Events	11,732	-	11,732
UK bank interest	20	-	20
Online Donations - Virgin	26,938	23,671	50,609
<b>TOTAL INCOMING RESOURCES</b>	<b>54,273</b>	<b>23,671</b>	<b>77,944</b>
<b>RESOURCES EXPENDED</b>			
<b>Costs of generating funds</b>			
Fund Raising Expenses	8,365	-	8,365
<b>Charitable activities:</b>			
<b>LCH Projects</b>			
<u>Funds transferred to Sri Lanka</u>			
One Off Local Projects	6,665	-	6,665
Students Sponsors - JHC OBA	-	5,013	5,013
Mahadeva Project	-	3,648	3,648
VATTAPALAI	-	15,010	15,010
SIVAN ARUL PROJECT	9,805	-	9,805
<u>Other direct costs in UK</u>			
CRB checks	-	-	-
Bank charges	-	-	-
Printing, postage and stationery	136	-	136
Rent - Mail Box	-	-	-
<b>Governance costs</b>			
Legal & Professional Fees	703	-	703
<b>TOTAL RESOURCES EXPENDED</b>	<b>25,674</b>	<b>23,671</b>	<b>49,345</b>
<b>Net incoming resources for the year</b>	<b>28,599</b>	<b>-</b>	<b>28,599</b>
<b>Total funds brought forward at 31 March 2016</b>	<b>29,918</b>	<b>-</b>	<b>29,918</b>
<b>Total funds carried forward at 31 March 2017</b>	<b>58,517</b>	<b>-</b>	<b>58,517</b>

The notes on pages 7 to 8 form part of these accounts.



## LOTUS CARING HANDS

### BALANCE SHEET AT 31 MARCH 2017

	Notes	2017
<b>CURRENT ASSETS</b>		
Debtors – tax recoverable		-
Cash at bank and in hand		58,517
		<hr/> 58,517
<b>CREDITORS: Amounts falling due within one year</b>		
Accruals		-
<b>NET CURRENT ASSETS</b>		<hr/> 58,517
<b>FUNDS:</b>		
Restricted	3	-
Unrestricted		58,517
		<hr/> 58,517
<b>Total Funds</b>		<hr/> 58,517

The accounts have been prepared in accordance with the Companies Act 2006 relating to small companies.

The company has taken advantage of the exemption from audit available under section 477(2) of the Companies Act 2006 and the Trustees confirm that:

No member have required the company to obtain an audit of the account for the year in question in accordance with section 476 of the Companies Act 2006

The directors acknowledge their responsibilities for:

- a) Ensuring the company keeps accounting records which comply with section 386; and
- b) Preparing accounts which give a true and fair view of the state of the company as at the end of its profits and loss for the financial year in accordance with section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Approved by the Trustees on 6th December 2017



Shan Mylvaganam

The notes on pages 8 to 9 form part of these accounts.

## LOTUS CARING HANDS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

#### 1 ACCOUNTING POLICIES

##### a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and follow the recommendations in the Statement of Recommended Practice – Accounting and Reporting by Charities published in March 2005.

##### b) Incoming resources

Grants and donations are credited to the Statement of Financial Activities in the year in which they are receivable and are allocated to the appropriate fund.

Investment income is included when

##### c) Reserves expended and allocation of costs

Resources expended are recognised in the period in which they are incurred. They include attributable VAT which cannot be recovered. They are allocated to the particular activity to which they relate.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. As the charity has only one activity, all costs, other than governance costs are allocated against the charitable activity.

Governance costs include those associated with meeting the constitutional and statutory requirements of the charity.

##### d) Fund accounting

Funds held by the charity

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts.

## LOTUS CARING HANDS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017 (continued)

#### 2 TRUSTEES' REMUNERATION AND RELATED PARTY TRANSACTIONS

No remuneration paid to Trustees.

#### 3 RESTRICTED FUNDS

	Sponsorship Fund £
Incoming resources	-
Outgoing resources	-
	<hr/>
Balance at 31 March 2017	-
	<hr/>

Purpose of restricted funds:

#### Sponsorship Fund

This fund is for the sponsorship of students attending the University of Jaffna in Sri Lanka.