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Registered Charity 1085008

# **The Sreepur Village, Bangladesh**

## **Report and Financial Statements**

31 March 2009

## Trustees' report

The trustees present their report and financial statements for the charity for the year ended 31 March 2009.

### Reference and administrative information

|                                     |   |
|-------------------------------------|---|
| <b>Date of registration:</b>        | 28 April 1979   |
| <b>Charity registration number:</b> | 1085008   |
| <b>Address of charity:</b>          | Sreepur Children's Village<br>P O Box 104<br>Beckenham<br>Kent BR3 4HN  |
| <b>Trustees:</b>                    | Patricia Silvester (Chairman)<br>Karen Clark<br>Patricia Dreusicke<br>Claire Penlington<br>Rubina Porter<br>Derek Palmer<br>Peter Wilkes<br>Patt Kerr (Appointed in March 2009) |
| <b>Honorary Accountants:</b>        | Ernst & Young LLP<br>1 More London Place<br>London SE1 2AF  |

Donations should be sent to Patricia Silvester at the charity's address. Cheques should be crossed and made payable to The Sreepur Village, Bangladesh.

### Structure, governance and management

The Sreepur Village, Bangladesh (previously Families for Children (UK)), is a registered charity, established by constitution in 1979 and governed by a board of trustees. The charity was re-registered from the previous name (Families for Children (UK), registered number 277794) to The Sreepur Village, Bangladesh, registered number 1085008, with effect from 1 April 2002.

### Objectives and activities

The object of the organisation is the relief of women and children in need of care and protection, particularly those in the care of Shishu Polli Plus Bangladesh, and in the UK or elsewhere, by providing a home, education or aid.

## Trustees' report (continued)

### Achievement and performance

Income has decreased by nearly 20% due to a drop in legacies, but we have managed to reduce expenditure at Sreepur by 11% despite expanding our counselling and rehabilitation programmes.

During 2008/2009 we concentrated on consolidating the new programmes at Sreepur, and strengthening our Bangladeshi management team prior to the completion of Pat Kerr's contract with us in February 2009.

The two latest buildings – the Halfway House and the Shayo Kunjo centre – are now in full operation. The Halfway House provides housing for our physically disabled young adults, staff housing, and also a place where women and their children can live and learn to be a family again for three months prior to their discharge. The Shayo Kunjo centre houses our special care beneficiaries who will live with us for life. The other rooms in this 3-storey building provide meeting rooms, staff rooms, a quiet multi-faith room and accommodation for people attending training courses on a range of subjects including counselling and child rights, amongst other things.

On 6 February 2009, we celebrated the 20<sup>th</sup> anniversary of moving the project from Dhaka to Sreepur. This was a joyous occasion attended by over 1200 people including 50 donors from the UK. It was filmed by a professional film crew from Scotland, and we intend to sell the film into one of the main TV channels. The costs of filming and editing (heavily discounted by the production company) are being met from our regular funds, to be repaid when the film is sold. The trustees have been aware for some years that we need to raise our public profile, and a film on mainstream television is the best way to do this. We consider ourselves fortunate to be given this opportunity and intend to make the best possible use of it.

Renovation of the Visitor's Centre in Dhaka was completed during the year, and an official opening was held in November 2008. We are working hard to increase the flow of visitors, but accept that this will take some time to achieve. Our beauty salon is popular with local residents, and we are selling small amounts of our products through the Centre.

In December 2008, an article about Sreepur cards appeared in the Money section of The Guardian newspaper headed "The best Xmas card ever?" and as a result, we sold out of Christmas cards and have a list of people keen to purchase in 2009. Sales of cards and scarves have continued to rise, although fluctuations in the exchange rate have reduced the profit overall.

Our investment portfolio continued to drop in value due to the global recession, but the trustees are confident that this will rise in the long-term to provide funds for future sustainability. One fixed term investment with HSBC matured during the year with a reasonable profit, and a second HSBC investment is due to mature in August 2009. We therefore hold sufficient funds in our operating account to cover all running and expected costs during the year.

Pat Kerr's contract of employment with the charity ended on 28 February 2009, although she continues to remain centrally involved in all decision making at Sreepur, and is still spending long periods of time there as a volunteer. Our Executive Director, Khadija Sultana, has taken over the day-to-day decision making, supported by her management team. We now have a policy of employing ex-beneficiaries (children who have left us and gained relevant skills over a period of at least two years), and are fortunate to have Prodip Rosario and Rina Chakraborty in executive posts. Both Prodip and Rina lived with us from early childhood through to attending university.

Maureen Fox has continued her excellent and dedicated work as our administrator, and once again Ernst & Young LLP has donated time and expertise as honorary accountants. We have a strong Board of Trustees and are confident that The Sreepur Village will continue to offer a place of safety and education to vulnerable women and children in Bangladesh.

## Trustees' report (continued)

### Recruitment and appointment of trustees

As stated in the Trust deed, there shall be at least three trustees. Every future trustee shall be appointed by a resolution of the trustees passed at a special meeting. In selecting persons to be appointed as trustees, the trustees shall take into account the benefits of appointing a person able, by virtue of his or her personal or professional qualification, to make a contribution to the pursuits of the management of the charity.

### Trustee induction and training

The trustees are familiar with the objectives of the charity. Existing trustees are responsible for training and passing on their knowledge to new trustees.

### Organisational structure

The trustees meet regularly to review operational and strategic policy of the charity as well as to facilitate the achievement of charity objectives.

### Principal funding sources

The principal funding sources for the charity in 2008/2009 were donations, gift aid and funds received through fundraising activities.

### Policy on reserves

The reserves that have accumulated over the years are to be invested by the trustees in furtherance of the objects of the charity. The trustees regularly examine the charities requirement for reserves with an aim to ensure there is a level of reserves retained for the ongoing viability of the charity.

### Risk management

The trustees have conducted a review of the major risks to which the charity is exposed and are satisfied that any such risks have been identified and mitigated where necessary.

### Plans for future periods

In the coming year, the charity will continue to raise and donate funds in pursuit of its objectives.



Patricia Silvester, Chairman of the trustees

Date 26 January 2010

## **Statement of trustees' responsibilities in respect of the financial statements**

The charity's financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Charities" (2005), the Charities Act 1993 and applicable UK Accounting Standards.

The charity's Trust Deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records in accordance with the Trust Deed, which disclose the financial transactions and the assets and liabilities with reasonable accuracy. 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.

## **Independent examiners' report to the trustees of The Sreepur Village, Bangladesh for the year ended 31 March 2009**

We have performed an independent examination of the charity's financial statements for the year ended 31 March 2009, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes 1 to 6. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the trustees, as a body. This examination has been undertaken so that we might state to the trustees those matters that are required to be stated to them in an examiner's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for this examination, for this report, or for the statements made.

### **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 43(2) of the Charities Act 1993 (the 1993 Act)), and that an independent examination is needed.

It is the responsibility of the independent examiner to:

- examine the accounts (under section 43 of the Act, as amended);
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the Act, as amended), and
- to state whether particular matters have come to the independent examiner's attention.

### **Basis of independent examiner's report**

The examination was carried out in accordance with 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 the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the accounts.

### **Independent examiner's statement**

In the course of the examination, no matter has come to my attention, which gives us reasonable cause to believe that in, any material respect, the trustees have not met the requirements to ensure that:

- proper accounting records are kept (in accordance with section 41 of the 1993 Act); and
- accounts are prepared which agree with the accounting records and comply with the accounting requirements of the 1993 Act; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



J I Gordon  
For and on behalf of Ernst & Young LLP  
London  
Institute of Chartered Accountants in England and Wales

26 JANUARY 2010

## Statement of financial activities

for the year ended 31 March 2009

|   | 2009                    | 2008                    |
|---|-------------------------|-------------------------|
|   | £                       | £                       |
|   | <i>Notes</i>            |                         |
| <b><i>Incoming resources</i></b>                                    |                         |                         |
| Voluntary income  | 254,681                 | 354,607                 |
| Activities for generating funds                                     | 49,450                  | 40,881                  |
| Bank interest   | 42,685                  | 34,799                  |
| <b><i>Total incoming resources</i></b>                              | <u>346,816</u>          | <u>430,287</u>          |
| <b><i>Resources expended</i></b>                                    |                         |                         |
| Charitable activities   | 231,663                 | 289,028                 |
| Cost of generating funds  | 2(a) 21,486             | 18,062                  |
| Management and administration of the charity                        | 2(b) 78,252             | 64,310                  |
| <b><i>Total resources expended</i></b>                              | <u>331,401</u>          | <u>371,400</u>          |
| <b><i>Net incoming resources before other recognised losses</i></b> | 15,415                  | 58,887                  |
| <b><i>Other recognised losses</i></b>                               |                         |                         |
| Loss on investment assets   | 3 (310,674)             | (34,811)                |
| <b>Net movement in funds</b>  | <u>(295,259)</u>        | <u>24,076</u>           |
| Fund balances brought forward at 1 April                            | 1,912,703               | 1,888,627               |
| <b><i>Fund balance carried forward at 31 March</i></b>              | <u><u>1,617,444</u></u> | <u><u>1,912,703</u></u> |

## Balance sheet

at 31 March 2009

|                           |       | 2009             | 2008             |
|---------------------------|-------|------------------|------------------|
|                           | Notes | £                | £                |
| <b>Fixed assets</b>       |       |                  |                  |
| Investments               | 3     | 854,515          | 1,165,189        |
|                           |       | <u>854,515</u>   | <u>1,165,189</u> |
| <b>Current assets</b>     |       |                  |                  |
| Debtors                   | 4     | 79,469           | 45,492           |
| Cash at bank and in hand  |       | 683,460          | 702,022          |
|                           |       | <u>762,929</u>   | <u>747,514</u>   |
| <b>Net current assets</b> |       |                  |                  |
|                           |       | <u>762,929</u>   | <u>747,514</u>   |
| <b>Net assets</b>         |       | <u>1,617,444</u> | <u>1,912,703</u> |
| <b>Funds</b>              |       |                  |                  |
| Unrestricted funds        |       | <u>1,617,444</u> | <u>1,912,703</u> |

For the year ended 31 March 2009, the trustees have considered that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the 1993 Act)). No members have required the charity to obtain an audit of its financial statements for the year in question in accordance with the 1993 Act.

*Patricia M. Silvester*

Patricia Silvester, Chairman of the trustees

Date *26 January 2010*

## Notes to the financial statements

at 31 March 2009

### 1. Accounting policies

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

The financial statements have been prepared under the historic cost convention except for investments, which have been included at revalued amounts, and comply with the recommendations of the Statement of Recommended Practice "Accounting by Charities" (2005), the Charities Act 1993 and applicable UK Accounting Standards.

#### **Incoming resources**

Voluntary income is received by way of payments under Gift Aid and donations. Activities for generating funds comprise all proceeds from fundraising events. All income is recognised when received.

Income tax recoveries associated with donations under Gift Aid are recognised as income when the net payment is received.

#### **Resources expended**

Resources expended for charitable activities comprised all grants to and payments for The Sreepur Village in Bangladesh which are charged in full to the income and expenditure account in the year in which they are paid.

Costs of generating funds includes all costs incurred by the charity in inducing others to make voluntary contributions to it.

Management and administration expenditure includes all costs incurred which cannot be directly allocated to the charity's project or to fundraising.

#### **Investments**

All investments are held to provide an investment return for the charity. Investments are shown at market value as at the balance sheet date as market value best represents a true and fair view of the value of the investments to the charity. All changes in value are reported through the Statement of Financial Activities.

#### **Funds**

Funds accumulated by the charity are invested by the trustees in furtherance of the objects of the charity. The balance carried forward represents free and unrestricted funds.

## Notes to the financial statements

at 31 March 2009

### 2. Resources expended

(a) Cost of generating funds.

|                                  | 2009          | 2008          |
|----------------------------------|---------------|---------------|
|                                  | £             | £             |
| Fundraising events expenses      | 17,307        | 14,309        |
| Printing, postage and stationery | 4,179         | 3,753         |
|                                  | <u>21,486</u> | <u>18,062</u> |

(b) Management and administration of the charity

|                                  | 2009          | 2008          |
|----------------------------------|---------------|---------------|
|                                  | £             | £             |
| Gross salaries                   | 63,733        | 59,900        |
| Printing, postage and stationery | 1,045         | 938           |
| General                          | 13,256        | 3,255         |
| Bank charges                     | 218           | 217           |
|                                  | <u>78,252</u> | <u>64,310</u> |

Two full time members of staff are paid by the charity. As these staff are treated as self employed no national insurance contributions are made. From 1 March 2009 there is only one employee as Patt Kerr's contract has come to an end and she has been appointed as a trustee.

General expenses include the costs of filming and editing the 20<sup>th</sup> anniversary of moving the project from Dhaka to Sreepur in February 2009.

### 3. Investments

(a) Analysis of movement of investments

|  | £              |
|--|----------------|
| Carrying value (market value) at beginning of the year | 1,165,189      |
| Revaluation loss in the year                           | (310,674)      |
| Carrying value (market value) at end of the year       | <u>854,515</u> |

## Notes to the financial statements

at 31 March 2009

### 3. Investments (continued)

(b) Analysis of investment assets

|                                   | <i>Cash and<br/>equivalents</i> | <i>Listed securities</i> | <i>Total</i>   |
|-----------------------------------|---------------------------------|--------------------------|----------------|
|                                   | £                               | £                        | £              |
| Investment assets in UK           | 19,686                          | 360,116                  | 379,802        |
| Investments assets outside the UK | 216,769                         | 257,944                  | 474,713        |
| <b>Total</b>                      | <b>236,455</b>                  | <b>618,060</b>           | <b>854,515</b> |

### 4. Debtors

|                                | <i>2009</i>   | <i>2008</i>   |
|--------------------------------|---------------|---------------|
|                                | £             | £             |
| Income tax due on Gift Aid     | 10,287        | 19,163        |
| Prepayments and accrued income | 69,182        | 26,329        |
|                                | <u>79,469</u> | <u>45,492</u> |

### 5. Transactions with the trustees

Expenses reimbursed to the trustees total £1,616 (2008 – £688). Of this amount £964 relates to coach costs, lunch cost and various other charges relating to the 20<sup>th</sup> anniversary visit to Dhaka by 35 people in February, £480 relates to broadband charges and the remaining £172 relates to sundry travel expenses.

### 6. Connected charities

The Sreepur Village is responsible (and the primary source of funds) for Shishu Polli Plus, a registered non-governmental organisation (NGO) in Bangladesh. With support from the Sreepur Village trustees, Shishu Polli Plus runs the Children's Village in Sreepur, Bangladesh.