



BRITISH ASIAN TRUST

TRANSFORMING LIVES  
TOGETHER

# TRUSTEES' REPORT AND FINANCIAL STATEMENTS



The British Asian Trust  
Company Limited by Guarantee

Trustees' report and financial statements  
Charity registered number 1127366  
Company number 06588239

For the year ending 31 March 2018



[www.britishasiantrust.org](http://www.britishasiantrust.org)

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BRITISH ASIAN TRUST

TRANSFORMING LIVES TOGETHER

## Trustees' annual report

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2018.

### Reference and administrative details

**Registered charity name** The British Asian Trust

**Charity registration number** 1127366

**Company registration number** 06588239

**Principal office and registered office** Clarence House  
St James's Palace  
London  
SW1A 1BA

**Company secretary** Hitan Mehta

**Auditor** Burgess Hodgson LLP

**Chartered accountant & statutory auditor** Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

**Bankers** HSBC Bank plc  
79 Piccadilly  
London  
W1J 8EU

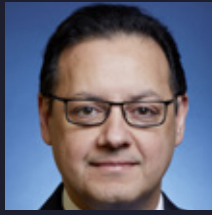
**Solicitors** Stephenson Harwood  
Finsbury Circus  
London  
EC2M 7SH

## Trustees



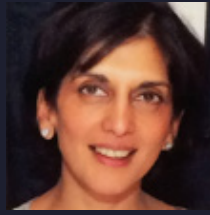
**Manoj  
Badale**

(Chairman)



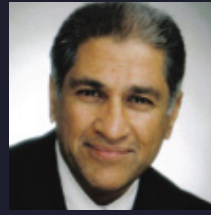
**Salman  
Mahdi**

(Resigned  
22 May 2018)



**Shalni  
Arora**

(Treasurer)



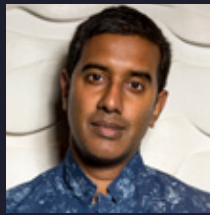
**Asif  
Rangoonwala**



**Christopher  
Mathias**



**Fayeeza  
Naqvi**



**Nihal  
Arthanayake**



**Sonny  
Takhar**

(Resigned 24  
September 2018)

## Senior Management Team



**Richard Hawkes**  
Chief Executive



**Hitan Mehta**  
Executive Director



**Abha  
Thorat-Shah**  
Executive Director  
(Partnerships and  
Programmes)



**Emma Porteous**  
Director of Finance  
& Resources



## Chair's Overview

**2017/18 was an unprecedented year of progress for the British Asian Trust. We were delighted to have maintained the momentum of recent years and continued to grow our programme impact, our supporter base, our strategic partnerships, as well as our commitment to growing social finance in South Asia. Most importantly, through our programmes across South Asia, we have now made a positive impact on the lives of more than four million people, and the scale of our impact will rise over the coming years.**

The total income that is recorded in our accounts is £4.2m. While, superficially, this looks like a decrease, this figure does not include the \$11m we have raised for our Development Impact Bond, or the new multi-million-pound CSR partnerships in India, which were our main priorities this year. So overall, we are delighted that income growth continues.

We remain incredibly grateful to our Royal Founding Patron, His Royal Highness The Prince of Wales, for his vision, support and commitment, which continues to inspire us. This was highlighted when he visited India, leading a British Asian Trust roundtable discussion with leading business figures, meeting children from one of the schools we support and speaking with both Prime Minister Modi and the Indian Finance Minister about our plans for social finance in India, with the launch of the world's largest education Development Impact Bond.

We were truly honoured to be able to start our 10th anniversary celebrations with a remarkable gala dinner at Buckingham Palace, hosted by HRH The Prince of Wales. In addition to reflecting on 10 years of success, HRH also launched our new Founders Circle, which is made up of our closest supporters, committed to helping the organisation to continue going from strength to strength. As the only organisation working across the whole British Asian diaspora, we transcend traditional boundaries of countries, cultures, faith and politics to unite people through a passion to support positive change. Everything we do benefits from the incredible support we receive from the British Asian community, with many of our supporters doing

remarkable things to enable us to make a difference in South Asia. Highlights from the year include Haroon Sheikh and family's £500,000 commitment to our mental health programme in Pakistan, the amazing annual cycling challenge organised by Rohit Chadha, the generous support from Avnish and Anita Goyal for our anti-trafficking work and the incredible fundraising efforts led by Ramesh Sachdev and family, which raised over £600,000 following the terrible floods, in August 2017, in Gujarat.

Perhaps the most exciting initiative with which we were involved was the creation of a Development Impact Bond that will be launched in India towards the end of 2018. Over the year, we continued to cement a consortium of remarkable funders – Tata Trusts, DFID, the Michael & Susan Dell Foundation, Comic Relief, the Mittal Foundation and BT - to raise \$11m. This pioneering initiative will improve learning outcomes for more than 300,000 children in India and we are convinced that it will also play a role in fundamentally changing the future of philanthropy.

We continued to strengthen all our programmes – in education, livelihoods, anti-trafficking and mental health/disability – and increased the number of local partners we work with. Following the success of our 2016 DFID Aid Match appeal, we launched a multi-million-pound Women's Economic Empowerment programme in Pakistan. I am also delighted to report that this year we began preparations for work in Bangladesh.

Safeguarding is a priority for the whole organisation, led by the Board of Trustees, and we continue to strive to put the best policies and practices in place.

Our success is only possible because of the incredible hard work and enthusiasm of our Advisory Councils, Ambassadors, Founders Circle, Patrons, Friends and, of course, trustees and staff. Thank you to everyone who helped us change so many lives this year.

**Manoj Badale,**  
Chair of Trustees



## Our vision and mission

We want to see a South Asia that is free from inequality and injustice where all people can achieve their full potential.

We unlock the potential of disadvantaged people in South Asia by maximising the impact of support from the Asian diaspora and beyond.

We believe in transcending traditional boundaries of countries, cultures, faith, and politics so that together we can help create a South Asia that is better for all.



## About us

Founded by HRH The Prince of Wales and a group of visionary British Asian business leaders, we work across traditional boundaries and have already touched the lives of more than four million people.

We have a strong track record in investing in strategic, sustainable and scalable solutions in the areas of education, livelihoods, anti-trafficking, mental health and disability. We work across India, Pakistan, Bangladesh and Sri Lanka with a special focus on children, young people and women.

We are the only diaspora-led organisation in the UK that brings together people from across the community to support positive change in South Asia.

In partnership with the British Asian diaspora, we help to shape philanthropic giving that brings about greater impact by sharing our experience, convening ability and local, flexible solutions.

## Public benefit

The British Asian Trust operates for public benefit and general charitable purposes according to the laws of England and Wales.

The trustees confirm that they have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing the British Asian Trust's aims and objectives, and in planning activities and setting policies for the year ahead.

This report outlines how our achievements and performance during 2017/18 have contributed to the furtherance of charitable purposes in the areas of education, livelihoods, anti-trafficking, mental health and disability in South Asia.

## Our approach

The scale and complexity of challenges in South Asia demand new and holistic approaches to tackling them. That is why we develop and deliver programmes with high impact for both disadvantaged communities and donors. Driven by the British Asian diaspora, we convene powerful cross-sector partnerships, leaders and ideas that have the potential to tackle poverty and injustice at scale.

We are committed to principles that encourage us to think differently about the challenges in South Asia, disrupt the traditional development agenda and ensure that our solutions are fit for purpose. Our work draws upon the breadth of innovation and learning in the sector and creates opportunities for greater impact.

We work with brilliant social enterprise, private sector and NGO partner organisations, supporting them with funding, capacity building as well as monitoring and evaluation, in order to deliver strategic programmes.

## Our work:

- We work with the business community to ensure they are part of social change.
- We collaborate within the NGO sector and convene different stakeholders to work together.
- We invest in learning, innovation and entrepreneurship to ensure effective solutions.
- We support catalytic, scalable and sustainable programmes that leverage technology appropriately.
- We influence social investment by driving new social finance tools to unlock giving.





## Our programme priorities:

### **Education:**

We work for children to have opportunities that will enable them to have successful and bright futures, by transforming the quality of early years and primary school education and improving standards of learning and key life skills.

### **Livelihoods:**

We ensure vulnerable groups are economically empowered, by developing their skills, ensuring access to markets and investing in entrepreneurship – thereby increasing people’s access to financial services and jobs.

### **Anti-trafficking:**

We ensure children are safe from harm and trafficking by reducing their vulnerability to exploitation, strengthening support systems and providing survivors with good rehabilitation and care.

### **Mental health**

**and disability:** We ensure disabled people and those with mental health issues can live fulfilling lives with dignity. We increase access to appropriate healthcare services and reduce stigma in communities.



## Strategic report

The following sections for achievements and performance, and financial review, form the strategic report of the charity.



## Achievements and performance

The British Asian Trust, together with our supporters and partners, has transformed the lives of almost 70,000 people directly and 150,000 people indirectly in 2017/18. Here is a summary of our highlights and how we performed to help deliver change.

We continued to develop our strategic approach to programming, with an increased focus on robust programme development; monitoring, evaluation and learning; and an emphasis on outcomes-focused projects. In particular, our involvement with social financing recognises the value of development interventions made on the basis of specific, measurable outcomes – which can ensure maximum impact for the money that is spent.

We have developed strong country teams in India and Pakistan, with excellent local knowledge and expertise.

### Pakistan

In Pakistan, we launched and started to deliver our multi-million-pound Women's Economic Empowerment programme, funded by the UK Government's Department for International Development. The programme addresses barriers so as to provide quality training and connections to businesses and markets, enabling 12,000 women to be sustainably employed. Our successful Citi Foundation-sponsored Urban Youth Programme, in Lahore, offering mentored entrepreneurial training across a variety of job sectors, has now scaled to Baluchistan, and we also have the ambition to work in Karachi. Alongside this, 2017/18 also saw us making the preparations for a major expansion to our £1m mental health programme in the country, supported by the CareTech Foundation.

### India

In India, our priority has been connecting people and organisations to build the consortium for an \$11m Education Development Impact Bond (DIB), which will support more than 300,000 children. We have been instrumental in bringing together a public and private sector coalition of both global and local members, representing the first group of 'non-traditional' actors to participate in a DIB. This consortium includes Indian philanthropists, UK development organisations, UK corporates, the Indian diaspora, US philanthropists and a seasoned risk investor specialising in DIBs.

Our anti-trafficking programme in India also remained a priority, and we launched a multi-stakeholder programme in Rajasthan, focused on making Jaipur a child labour free city. We know there are 50,000 children involved in child labour in the city, and our intervention will target the factors that keep them working. We are educating communities in Bihar (a source area) and working with businesses, police and the community in Jaipur to rescue, rehabilitate and repatriate victims of trafficking, and to prosecute enablers.

### Sri Lanka

In Sri Lanka, our five-year programme supporting disabled adults and children came to an end. Over the course of the programme, we worked with seven grassroots, non-governmental organisations to address education, access to livelihoods, quality of health and living support and stigma, and are delighted to have reached more than 75,000 people across six provinces.

### Bangladesh

Following a successful first visit to Bangladesh in February 2018, we began building partnerships in the country to take action in the face of the Rohingya refugee crisis. We are now supporting a response, focusing on the mental health and protection of women and children. Research and planning for long-term strategic development programmes gathered pace, laying a foundation for the coming years.



## Fundraising highlights

An enormous thank you to our donors and supporters. From Friends and Patrons to Founders Circle members to Trusts and Corporations, your inspiring support has ensured that we have made enormous strides in our efforts to end poverty and hardship in South Asia.

We were very proud to successfully convene a multi-million-pound fund for our pioneering **Development Impact Bond**. This special form of social financing, involving cross-sector partnerships, will ensure interventions to improve the standards of primary-school learning across several states in India. Through it we also hope to establish an alternative model for philanthropic giving. The DIB is to be launched in the autumn of 2018. Funders include Tata Trusts, DFID, the Michael & Susan Dell Foundation, Comic Relief, the Lakshmi Mittal Foundation and BT.

In February, we launched the **Founders Circle** at a gala dinner at Buckingham Palace, hosted by HRH The Prince of Wales. The Founders Circle is a membership cohort of successful leaders from the British Asian diaspora, committed in their support for our work. Their involvement will enable us to fund new, large-scale projects over the long-term, giving us the potential to transform huge numbers of lives. Membership also provides an opportunity to connect more deeply with the British Asian Trust, to network and to build the influence of the British Asian diaspora. Members have a calendar of events, which includes an opportunity to visit projects. We were able to offer our supporters exclusive tours of **Buckingham Palace, Clarence House** and a unique **Highgrove Christmas Shopping** experience, also at Clarence House.

This year, our annual **Ramadan campaign**, Change A Child's Life, also focused on the need to improve Education in South Asia. Change a Child's Life raised money for teacher training, teaching materials and improving the curriculum. A special fundraising moment for us was the Iftar we held at the Savoy in June. The event enabled us to build strong relationships with a range of organisations across the British Muslim community, and raise Zakat funds for projects in Pakistan.

### **Most Exotic Bicycle Tour**, November 2017.

Our supporter Rohit Chadha led his second annual cycling tour, this time to Cambodia. A group of 20 adventurous riders travelled through plantations and villages in the heart of Cambodia. They raised an incredible £100,000 for the Trust, and Rohit is determined to reach £1m over the full five trips he plans over five years.

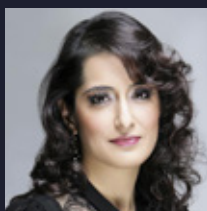


**South Asian floods**, August 2017. Our supporter, Ramesh Sachdev, led an appeal to raise funds for the victims of these devastating floods. The worst were in Bangladesh, India and Nepal, with hundreds of lives lost and more than 16 million people affected as homes, schools, livelihoods and infrastructure was demolished. The appeal raised more than £650,000 to provide food, water and other essential supplies in the states of Gujarat, West Bengal, Assam, Bihar and Uttar Pradesh.

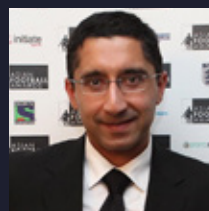
**Elbrook Gala Dinner**, October 2017. We were delighted, once again, to be the charity partner at this fantastic night, organised by our supporter Frank Khalid, at which more than £20,000 was raised for the British Asian Trust.

**Grants from companies, trusts and foundations.** Over the year, we secured a number of large grants, including: Citi Foundation, UBS, UBL, Standard Chartered, the CareTech Foundation and the COSARAF Foundation, the John Lewis Foundation, the Prince of Wales's Charitable Foundation, the London Stock Exchange, and the Vitol Foundation. We are very grateful for all of these and for their demonstration of belief in our ability to bring positive and effective change.

We were delighted that the following new Ambassadors were appointed:



**Raishma Islam**  
One of London's top fashion designers



**Zafar Iqbal**  
Renowned sports physician and Crystal Palace team doctor



**Cyrus Todiwala**  
Celebrity chef and restaurateur

A smiling woman with a bindi on her forehead, wearing a yellow top and a colorful floral sari, is working in a garment factory. She is looking towards the camera. In the background, other workers and sewing machines are visible, though out of focus.

## Financial review

### Review of financial position

- The results for the year are set out in the statement of financial activities on page 21. The position of the charity at the end of the period is shown on the balance sheet on page 22.
- Total income generated was £4,201,533 (2017: £6,296,279) of which £1,472,665 (2017: £2,417,808) was unrestricted and £2,728,868 (2017: £3,878,471) restricted.
- £2,461,286 (2017: £3,236,220) was distributed by way of grant funding.
- The net assets on the balance sheet are £1,548,140 (2017: £1,917,728).

### Reserves

The trustees have established a reserves policy that sets a target of six months of total annual expenditure on general overheads as the required level of free reserves. At the year end this target is £684,000 (2017: £573,000) and the actual level of free reserves was £689,121 (2017: £816,343) and exceeded this level.

### Investment Policy

The Company's primary asset is the cash at bank. The cash commitments are reviewed each month. The trustees take a cautious approach towards investment adopting a short-term low risk policy.



## Plans for 2018/2019:

Over the year ahead, we will continue to deepen and grow our programmes, increase our supporter base, our profile and our funding as well.

### Our priorities

- Follow and implement best practice with regards to safeguarding, whistleblowing and complaints policies and procedures, GDPR and all other statutory requirements.
- Launch the DIB in India and further establish our credibility in the social finance space.
- Develop ambitious, strategic and outcomes-driven programmes across South Asia. We will build programmes for scale, which will enable us to be ambitious about our growth for the future.
- Show clear evidence of the work we do, in line with our stated programmatic approach. We will develop and implement a strong and agile monitoring and evaluation system that helps us demonstrate our outcomes and uses data more effectively to learn from and grow our work.
- Substantially grow our programme reach and depth in India and Pakistan, maintain a programme presence in Sri Lanka and start work in Bangladesh.
- Continue to develop and implement outcome-driven approaches in education, livelihoods, anti-trafficking and mental health/disability.
- Deliver a successful DFID-funded Women's Economic Empowerment programme in Pakistan and extend its impact by building strong private sector links.
- Substantially increase our income and our programme expenditure, while ensuring that our administration and support costs remain low.
- Continue growing our Founders Circle.
- Strengthen the role and contribution of our Advisory Councils and other experts.
- Raise our profile through PR and social media and build our social media presence.
- Continue to develop a high-performing team of people with the skills and abilities to ensure that we achieve our ambitious plans.

## Structure, governance and management

The British Asian Trust is a charitable company limited by guarantee (No. 1127366). Our main governing document is our Memorandum and Articles of Association of the Company adopted by special resolution on the 19 December 2008. We are led by our Board of Trustees.

### Board of Trustees

The Board of Trustees is empowered by the Articles of Association of the Charity to act as the Board of Governors of the British Asian Trust. The Board of Trustees is led by the Chairman and the day to day management of the charity is delegated to the Chief Executive and Senior Management Team.

### Recruitment and Appointment of Trustees

New trustees are appointed by the Board of Trustees. The Board identifies the skills, experience and knowledge that it needs and recruits candidates on this basis. All new trustees have an induction programme to ensure their understanding of the role of trustees under charity law and being a Director under company law. Induction also provides an overview of the history of the British Asian Trust, its structure, mission and strategic direction.

### Committees of the Board

There are four standing Committees of the Board: Finance and Audit Committee, Investment Committee, Fundraising Committee and Remuneration Committee.

## Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

## Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware.
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

**Manoj Badale**  
Chairman





# Independent auditor's report to the members

## Opinion

We have audited the financial statements of the British Asian Trust (the 'charity') for the year ended 31 March 2018 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Steven Sutton (Senior Statutory Auditor)**

For and on behalf of  
Burgess Hodgson  
Chartered accountant & statutory auditor  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# Statement of financial activities

		2018		2017
	Note	Unrestricted funds £	Restricted funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	5	<u>1,472,665</u>	<u>2,728,868</u>	<u>4,201,533</u>
<b>Total income</b>		<u>1,472,665</u>	<u>2,728,868</u>	<u>4,201,533</u>
<b>Expenditure</b>				
Expenditure on raising funds:				
Costs of raising donations and legacies	6	525,213	–	525,213
Expenditure on charitable activities	7,8	<u>1,064,929</u>	<u>2,980,979</u>	<u>4,045,908</u>
<b>Total expenditure</b>		<u>1,590,142</u>	<u>2,980,979</u>	<u>4,571,121</u>
<b>Net income/(expenditure)</b>		<u>(117,477)</u>	<u>(252,111)</u>	<u>(369,588)</u>
Transfers between funds		(9,745)	9,745	–
<b>Net movement in funds</b>		<u>(127,222)</u>	<u>(242,366)</u>	<u>(369,588)</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>816,343</u>	<u>1,101,385</u>	<u>1,917,728</u>
<b>Total funds carried forward</b>		<u>689,121</u>	<u>859,019</u>	<u>1,548,140</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# Statement of financial position

		2018 £	2017 £
<b>Fixed assets</b>			
Tangible fixed assets	15	21,556	26,615
<b>Current assets</b>			
Debtors	16	565,358	685,129
Cash at bank and in hand		1,288,427	1,992,509
		<u>1,853,785</u>	<u>2,677,638</u>
<b>Creditors: amounts falling due within one year</b>	17	<u>327,201</u>	<u>786,525</u>
<b>Net current assets</b>		<u>1,526,584</u>	<u>1,891,113</u>
<b>Total assets less current liabilities</b>		<u>1,548,140</u>	<u>1,917,728</u>
<b>Net assets</b>		<u>1,548,140</u>	<u>1,917,728</u>
<b>Funds of the charity</b>			
Restricted funds		859,019	1,101,385
Unrestricted funds		689,121	816,343
<b>Total charity funds</b>	18	<u>1,548,140</u>	<u>1,917,728</u>

These financial statements were approved by the Board of Trustees and authorised for issue on 12th December 2018, and are signed on behalf of the board by:

**Manoj Badale**  
Chairman

# Statement of cash flows

	2018	2017
	£	£
<b>Cash flows from operating activities</b>		
Net income/(expenditure)	(369,588)	547,170
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	11,687	3,032
Interest payable and similar charges	5,635	3,144
Accrued expenses/(income)	(539,288)	488,320
<i>Changes in:</i>		
Trade and other debtors	120,118	575,871
Trade and other creditors	79,617	(38,998)
Cash generated from operations	<u>(691,819)</u>	<u>1,578,539</u>
Interest paid	<u>(5,635)</u>	<u>(3,144)</u>
Net cash from/(used in) operating activities	<u>(697,454)</u>	<u>1,575,395</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	<u>(6,628)</u>	<u>(23,418)</u>
Net cash used in investing activities	<u>(6,628)</u>	<u>(23,418)</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	<u>-</u>	<u>(28,900)</u>
Net cash used in financing activities	<u>-</u>	<u>(28,900)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	(704,082)	1,523,077
<b>Cash and cash equivalents at beginning of year</b>	<u>1,992,509</u>	<u>469,432</u>
<b>Cash and cash equivalents at end of year</b>	<u>1,288,427</u>	<u>1,992,509</u>

# Notes to the Financial Statements

## 1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Clarence House, St James's Palace, London, SW1A 1BA.

## 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

## 3. Accounting policies

### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

### **Going concern**

There are no material uncertainties about the charity's ability to continue.

### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.



### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

**Fixtures, fittings and equipment - 4 year straight line**

### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

## 4. Limited by guarantee

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to assets of the company, in the event of a winding up, such an amount as may be required not exceeding £1.

## 5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
<b>Donations</b>			
Individuals	1,226,409	640,750	1,867,159
Events	140,756	–	140,756
Corporate	85,000	71,771	156,771
Trusts and foundations	20,500	2,016,347	2,036,847
	<u>1,472,665</u>	<u>2,728,868</u>	<u>4,201,533</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
<b>Donations</b>			
Individuals	1,420,708	2,877,942	4,298,650
Events	909,740	467,414	1,377,154
Corporate	20,000	29,167	49,167
Trusts and foundations	67,360	503,948	571,308
	<u>2,417,808</u>	<u>3,878,471</u>	<u>6,296,279</u>

## 6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Programme expenditure	–	–	–	–
Staff costs	228,072	228,072	328,742	328,742
Rent	10,226	10,226	2,211	2,211
Rates & water	475	475	141	141
Insurance	524	524	99	99
Travel costs	9,968	9,968	3,147	3,147
Legal & professional fees	9,767	9,767	4,366	4,366
Telephone	207	207	(128)	(128)
Office costs	28,526	28,526	4,080	4,080
Depreciation	3,466	3,466	199	199
Marketing	10,308	10,308	12,213	12,213
Events	222,003	222,003	543,264	543,264
Bank charges	1,671	1,671	221	221
	<u>525,213</u>	<u>525,213</u>	<u>898,555</u>	<u>898,555</u>

## 7. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Charitable activity	723,493	2,980,979	3,704,472
Communications	280,510	–	280,510
Support costs	60,926	–	60,926
	<u>1,064,929</u>	<u>2,980,979</u>	<u>4,045,908</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£
Charitable activity	936,144	3,236,220	4,172,364
Communications	618,912	–	618,912
Support costs	59,278	–	59,278
	<u>1,614,334</u>	<u>3,236,220</u>	<u>4,850,554</u>

## 8. Expenditure on charitable activities by activity type

	Activities Undertaken Directly	Communications	Support Costs	Total Funds 2018	Total Fund 2017
	£	£	£	£	£
Charitable activity	3,704,472	280,510	56,186	4,041,168	4,845,982
Governance costs	–	–	4,740	4,740	4,572
	<u>3,704,472</u>	<u>280,510</u>	<u>60,926</u>	<u>4,045,908</u>	<u>4,850,554</u>

## 9. Analysis of total support costs

	Support Costs	Total 2018	Total 2017
	£	£	£
Communications and IT	3,605	3,605	716
General office	78,418	78,418	78,270
Human resources	1,335	1,335	1,604
Finance costs	920	920	1,469
	<u>84,278</u>	<u>84,278</u>	<u>82,059</u>

## 10. Taxation

The British Asian Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within the categories covered by Chapter 3 Part 11 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 to charitable purposes.

## 11. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible fixed assets	<u>11,687</u>	<u>3,032</u>

## 12. Auditors remuneration

	2018	2017
	£	£
Fees payable for the audit of the financial statements	<u>4,740</u>	<u>3,250</u>
Fees payable to the charity's auditor and its associates for other services:		
Other non-audit services	<u>3,123</u>	<u>1,322</u>

## 13. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2018	2017
	£	£
Wages and salaries	<u>1,010,048</u>	<u>1,041,667</u>

The average head count of employees during the year was 17 (2017: 18).

The number of employees whose remuneration for the year fell within the following bands, were:

	2018	2017
	No.	No.
£60,000 to £69,999	1	–
£70,000 to £79,999	2	3
£130,000 to £139,999	<u>1</u>	<u>1</u>
	<u>4</u>	<u>4</u>

## 14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

## 15. Tangible fixed assets

	<b>Fixtures, Fittings and Equipment</b>
	<b>£</b>
<b>Cost</b>	
At 1 April 2017	43,166
Additions	6,628
<b>At 31 March 2018</b>	<u>49,794</u>
<b>Depreciation</b>	
At 1 April 2017	16,551
Charge for the year	11,687
<b>At 31 March 2018</b>	<u>28,238</u>
<b>Carrying amount</b>	
<b>At 31 March 2018</b>	<u>21,556</u>
At 31 March 2017	<u>26,615</u>

## 16. Debtors

	<b>2018</b>	2017
	<b>£</b>	£
Trade debtors	508,042	653,260
Prepayments and accrued income	56,963	31,522
Other debtors	353	347
	<u>565,358</u>	<u>685,129</u>

## 17. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	83,920	–
Accruals and deferred income	121,504	660,444
Social security and other taxes	25,677	29,981
Other creditors	96,100	96,100
	<u>327,201</u>	<u>786,525</u>

## 18. Analysis of charitable funds

### Unrestricted funds

	At 1 April 2017	Income	Expenditure	Transfers	At 31 March 2018
	£	£	£	£	£
Unrestricted Funds	<u>816,343</u>	<u>1,472,665</u>	<u>(1,590,142)</u>	<u>(9,745)</u>	<u>689,121</u>

### Restricted funds

	At 1 April 2017	Income	Expenditure	Transfers	At 31 March 2018
	£	£	£	£	£
Restricted Funds	<u>1,101,385</u>	<u>2,728,868</u>	<u>(2,980,979)</u>	<u>9,745</u>	<u>859,019</u>

Included within the restricted funds are two grants from DFID, one to support our work on Women's Economic Empowerment in Pakistan and a technical grant to support our work on the Development Impact Bond.

### The income and expenditure for both of these grants is as follows:

	Income	Expenditure	Balance at Year End
	£	£	£
WEE Programme	1,104,132	1,070,967	33,165
DIB	208,755	148,306	60,449

## 19. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Tangible fixed assets	21,556	–	21,556
Current assets	904,730	949,055	1,853,785
Creditors less than 1 year	(237,165)	(90,036)	(327,201)
<b>Net assets</b>	<u>689,121</u>	<u>859,019</u>	<u>1,548,140</u>

## 20. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2018	2017
	£	£
<b>Financial assets that are debt instruments measured at amortised cost</b>		
Trade debtors	508,042	653,260
Other debtors	353	347
Accrued income	30,347	30,000
Cash at bank	1,288,427	1,992,509
	<u>1,827,169</u>	<u>2,676,116</u>
<b>Financial liabilities measured at amortised cost</b>		
Trade creditors	83,920	–
Accruals	86,504	386,007
Other creditors	96,100	96,100
	<u>266,524</u>	<u>482,107</u>

## 21. Related parties

At the year end the charity had an outstanding non interest bearing loan, repayable on demand for £96,100 (2017: £96,100) from the trustees of the charity.

At the year end in respect of commitments made, the British Asian Trust was owed £20,000 (2017: £12,000) from the trustees and or/the charities in which they have an interest.





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