

# SHIVIA



## Trustees' Report and Financial Statements

Period ended 31st March 2016

[www.shivia.com](http://www.shivia.com)



Shivia empowers the poorest to create livelihoods,  
boost income and inspire permanent change

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## Shivia's Livelihood Development Enterprises



**Poultry Development Services**



**Agri-Management Services**



**Goat-Farming**

## Message from Stuart Tester, Chairman

It has been another year of successful growth for Shivia with our major projects in West Bengal continuing to grow in terms of both numbers of people supported and in geographical reach. The local team in West Bengal, under Mr Jogeshwar Rao, General Manager of our sister organisation Nirdhan, has grown in strength and maturity during the year. All potential projects undergo rigorous research and small-scale pilots before moving on to implementation, which gives us the opportunity to review and improve on our initial ideas

Shivia's Board and Nirdhan's Board work very closely together and discuss any major decision or new project proposal in depth. Nirdhan's Board is staffed by very high calibre individuals who are taking significant personal interest in the growth of the business. In the past year we have transferred £85,000 to Nirdhan to undertake the work we have jointly agreed.

Our UK board of trustees has remained largely unchanged this year. However, I am pleased to announce the recent appointment of Mr Deepak Arora as a trustee. Deepak, who is a practicing lawyer, was involved with Shivia in its initial start-up phase when, whilst working for Clifford Chance, he helped draft our Memorandum and Articles of Association. His family has strong links with India and West Bengal, so he brings both an understanding of the local culture and helpful legal skills to our board. We will continue to seek further high calibre individuals to join our board, to maintain its strength and diversity.

In the light of recent events in other UK charities, we have commenced a review of our own policies and procedures to ensure they continue to remain appropriate, and that they help safeguard our donors' funds and our clients' interests. During the year a number of our trustees attended a refresher on the roles and responsibilities of trustees.

Ensuring that donors' money is wisely spent is a key driver for our charity and being able to quantify our impact, whilst complex, is a necessary task. In the coming year we will, therefore, be implementing a new database to capture the increasingly large amount of information available in the villages, so we can analyse our social impact in more detail. A major corporate database supplier has kindly agreed to undertake work for us in both the UK and India, on a pro-bono basis, to put the system in place.

We have taken the difficult decision this year that our outstanding loan to BASE in Nepal may never be repaid (as a result of the devastating natural disasters which have

occurred there) and have therefore written off the loan. This brings to an end our Partners Programmes under which we lent money to third parties to undertake work. All future activities are expected to follow our Livelihood Programme model which is undertaken through our own staff in India.

Fundraising has continued to be a challenge in these straightened times, but I am pleased to say that existing donors have been impressed with what we have achieved and continue to support us; we have also managed to commence some significant new relationships and have received many, welcome new donations. As a result, our reserves remain robust and in line with our stated policy. We continued to receive pro-bono services and gifts from a number of people and organisations, which this year totalled £12,888. We are hugely grateful for all this support in its various forms. I would also like to thank all those people who have given their time, expertise, knowledge and advice, which has made a significant contribution to Shivia's governance and charitable activities.

Although the numbers of people at the 'bottom of the pyramid' worldwide is shrinking, sadly in India the wealth still does not trickle down enough to help the very poorest who still number over 800 million. Our work continues to provide a vital additional source of income to our beneficiaries.

Our next strategic move is to examine helping our existing farmers join together as formal Farmer Producer Organisations (FPOs) under Indian law. This helps them increase their scope for cooperative action along the value chain, leading to increased buying and selling power and hence increased profitability. We are looking into undertaking a pilot this year in one of our established areas. In this work we have been and will continue to be assisted by Mr Shailendra Patel from Project Sophia, and we are immensely grateful to him for his ongoing support and advice.

I am personally very excited by this move which could lead to a more sustainable, self-sufficient future for our clients and, in years to come, no need for organisations such as our own to provide them with support.

I would like to close by thanking, once again, our donors, my fellow trustees and all colleagues who, through their efforts, have given us another successful year and positioned us very well for the future.

Stuart Tester



## Report from Olly Donnelly, CEO

I have been to West Bengal twice during this reporting year and on both trips I was encouraged by the growing expertise of our team and the impact they are making on the lives of some of the very poorest people in India. People often ask us “why India?” and the simple answer is that India houses over 20% of the world’s poorest people of which many live in West Bengal where we work. Over a quarter of India’s rural population lives beneath the World Bank’s international poverty line of \$1.90 USD per day and these are the people Shivia was set up to help.

With our team’s hard work and dedication, our home-farmers’ desire to get themselves out of poverty and our donors’ generosity, Shivia is indeed achieving its mission of **empowering the poorest to create livelihoods, boost income and inspire positive, permanent change**. We are now a team of 56 - including the trustees in India and UK – with two paid staff in the UK and the remaining 44 employed locally in India. We continue to work in four locations of rural West Bengal all within 70 Km of Kolkata, covering over 770 villages. We target the poorest families in these areas who typically earn 100 Rs (approximately £1) per day as agricultural labourers for 200-250 days per year. We now offer them three livelihood services to earn additional income and get themselves out of poverty:

1. Poultry Development Services (PDS)
2. Agri-Management Services (AMS)
3. Goat-Farming (Goateries)

A real sign of our progress is that we are being approached by organisations wanting to learn from us or replicate our model, one in West Bengal and two in East Africa. We have gained a reputation - especially for our flagship programme PDS - for delivering an excellent needs-based, cost-effective, responsive, impact-driven and sustainable service, true to our core values.

### Key highlights of the year

- Shivia has a team of 56 including the trustees in the UK and India
- We raised £216,514 in line with our budget of £215,000
- We distributed 9,161 poultry toolkits<sup>1</sup> to 2,373 families and trained an additional 10,000 people in backyard poultry farming
- Despite several outbreaks of pox, due to our training, vaccinations and medications, mortality at all four locations stayed below 2%
- We expanded AMS to 668 families, 40 Farmer Interest Groups and opened 22 bank accounts
- We launched our third enterprise, ‘Goateries’
- In April 2016 we appointed a new trustee, Deepak Arora
- We were short-listed for Charity Times 2015 ‘Charity of the Year under £1 million’ and appeared on the Financial

News 40 Extra Mile list and the St Edmund Hall, Oxford University, ‘Women Inspire’ collection

### Fund-raising

We have had a successful year with fund-raising totalling £216,514 in line with our budget of £215,000 to deliver our Livelihood Programme. I cannot thank everyone enough for helping us with this challenging task. We have continued to build our corporate relationships, applied to a range of foundations and seen our regular giving increase somewhat. We have had more people than ever organising events or activities on our behalf – boxes at the Royal Albert Hall, days at Aston Martin, a music concert, marathons, cycle rides and above all the spectacular event held at the House of Commons, organised by our Ambassador Max Patel from St James’s Place Wealth Management. Even though the event was held in April 2016 much of the planning took place in the year under review.

We have gained a little momentum in the US through our Friends of USA and our presence on the Global Giving US site. We are also pushing forward with fund-raising in India following the 2014 CSR legislation and in line with our desire to hand over as much as possible to our local team; our efforts were not as successful as I had hoped last year but I plan to prioritise this in 2016-7.

We aim to raise £215,000 again this year and will continue to pitch to a range of corporates, foundations, high-net worth individuals and every-day givers.



### Livelihood Programme

Our Livelihood Programme is run by our sister organisation Nirdhan, also known as Shivia India, and started in 2011 with Poultry Development Services. In 2014 we introduced Agri-Management Services and in 2016 we piloted our third enterprise, Goat-Farming, referred to locally as “Goateries”. Our Livelihood Programme is based on enterprise not aid, providing toolkits and training to create livelihoods and enterprises. All our beneficiaries make a small financial contribution so that they have a sense of ownership and responsibility, attend training and help with the long-term sustainability of our projects.

<sup>1</sup> This was compared with 6,738 toolkits last year.

## Poultry Development Services (PDS)

For the year under review, we delivered 9,161 poultry toolkits to 2,373 families, including 1,745 new families, and trained over 10,000 people in backyard poultry farming. Since operations started in 2011, we have provided training and 22,985 toolkits to 7,353 home-farmers, indirectly impacting the lives of over 44,000 people as we train whole families.

PDS is a market-led enterprise which requires no land to develop, can be done from home by anyone regardless of religion, is risk averse due to the low cost of chicks and number per toolkit and if the farmers cannot sell the meat and eggs, they can eat them! PDS is delivered through training and toolkits which provide everything a family needs to start and sustain their new enterprise: ten one day old chicks (or ducks); vaccinations and medication to prevent disease and mortality; initial feed for two weeks and, most importantly, training over six months in all aspects of poultry husbandry, financial management and how to market the produce. In May, we raised the price of second toolkits from 250 Rs to 300 Rs whereas first time toolkits remained at 450 Rs. This was in response to rising costs of goods and also to help reduce our subsidy somewhat. There was initial resistance but farmers know the benefits hence after a poor performance following the initial hike, farmers were prepared to pay the extra 50 Rs and operations resumed as normal.

PDS is a logistical exercise that requires sourcing the poultry toolkits from a range of organisations to deliver them in a timely fashion, one month after registration when the farmers pay half their contribution as a deposit. We have built strong relationships with suppliers for chicks (a range of breeds depending on the farmers' needs), ducks (in the monsoon time or for those farmers who live on the edge of ponds/water-logged areas), feed, medicine and vaccinations. And we maintain excellent relationships with the local welfare-based organisations, Familia (Kanchrapara), Chaaya (Sundia) and Amar Seva Sangha (Kolaghat) where three of our field offices are based.

We currently have four field supervisors and 32 Livelihood Service Providers (LSPs) delivering PDS, of which two also help with Goateries. Each year our LSPs are achieving better results with greater efficiency, now distributing 25 toolkits each to 10-15 families per month. The more experienced LSPs travel up to 30-40 Kms per day whilst those who have been with us for up to two years tend to cover distances of 25 Kms. Our field staff all come from the villages and so understand the language and the needs of our farmers. They receive regular, professional training and are continually gaining in confidence. Several of our staff have attended the Central Poultry Development Organisation in the neighbouring state of Odisha to ensure we are always imparting best practice to our farmers. Four of our LSPs are female; whereas we would like to recruit more it is difficult for them to travel long distances by motorbike and dangerous to carry cash in the dark.

Our LSPs report that they are proud of their jobs, enjoying the respect they now have amongst their peers and communities and that they are able to stay at home whilst friends have had to migrate to the urban areas in search of work. Their fathers are proud of them as they are earning a regular income for their families, often for the first time. At our bi-annual awards ceremony in November, they recounted that they are known as “murghi doctors” (chicken doctors!) and they wear their Nirdhan-branded rucksacks and raincoats with pride (see appendix 5 for LSP case study).

One of greatest achievements this year was that despite several outbreaks of pox, due to our training, vaccinations and medications, mortality at all four locations stayed below 2%. Farmers who are not part of the Shivia PDS programme saw most of their chicks dying. This instilled great confidence in our existing and potential farmers.

## Impact

Farmers complete our Social Impact Assessments (SIAs) when they register for PDS and again after four toolkits over the course of roughly one year. We track their progress for the time period they are with us, usually three years. We combine results from our SIAs with data, observations of change and anecdotes. The SIAs are based on the Progress out of Poverty Index (PPI) developed by the Grameen Foundation which looks at 12 key household and socio-economic indicators. We currently select farmers who come under the “45” mark for all indicators which means they are considered “extremely poor”.



Results of our SIAs show that the sale of eggs alone can supplement household income by up to 30%; this additional income enables families to have choices to improve their lives, often for the first time. We are noticing that over time – with our training – farmers are choosing to keep their chicks for egg-laying rather than fattening them up and selling them for a quick up-kick in income after three or four months. In the early days nearly 100% of the farmers sold their chicks for meat whereas now 20% keep them for egg-laying and realise the benefits of a continuous income stream. The most common scenario, however, is for farmers to use their toolkits for selling both meat and eggs. This usually results in a 20% increase in their household income as agricultural labourers.

Most of our famers are **women** and they are mainly from the lowest castes. They are a mix of Hindus and Muslims; at Familia location they are mainly Hindu, Babnan Muslim, Kolaghat a mix and Sundia a mix (see Appendix 2 for map of operations). They are typically working mothers whose dream, like any mother the world over, is to get their children (especially girls) into school or to stay in school for longer. Our SIA data and feedback is that the women are doing just that: spending their additional income on the books and uniforms to attend school or extra tuition to make up for teacher absenteeism. Our data shows that of the families we work with there are 11,200 children attending school and the women are all reporting more regular attendance by these children since they can afford a second pair of shoes when the first get wet in the monsoon or the bus fare instead of cycling. The women also feel empowered since they are earning money and are respected by their community, in-laws, husbands and children which has changed their lives significantly (see Appendix 4 for case studies).

There is a large impact on the **children** who benefit not just from the training and sense of stewardship and responsibility but from better chances to access education as well as more nutritious meals. This is especially true for the girls who previously were fed last, whatever was left-over or simply dhal-bhat (rice and lentils) three times per day. With extra income, the women are either able to buy more varied foods or they can add eggs (and sometimes chicken meat) to the diet. Often the **elderly** who can no longer work obtain an income stream and sense of responsibility by looking after the chickens. For those who are left alone, PDS has changed their lives, earning them income and dignity. The men benefit as several have been able to start a second enterprise with profits made from PDS or improved the assets of their existing enterprise, such as a rickshaw van to carry goods. As a **community**, there are definite benefits – more toilets are being built, some families have bought televisions which brings households together, some have bought mobile phones which, in these fairly remote locations, is crucial for the community to use for data dissemination, calling family members who have gone to the city and listening to music. We, in Western Europe, may not see these as the most vital issues, but the communities place huge value on them.



## Income

This year we have earned £38,320 from the sale of toolkits. Each toolkit costs Shivia approximately £15 and the farmers contribute, on average, £4-5<sup>2</sup>.

## Challenges

We have faced three main challenges with PDS this year: LSP recruitment and retention, regular supply of good quality chicks and our efforts to assist in market linkages for the farmers. We have struggled to find and train additional LSPs who are of the standard we require for our service. They have to be able to perform a range of roles: find home-farmers, explain the benefits of PDS, encourage famers to join the programme, collect cash, complete Social Impact Assessments, record observations of change, respond to challenges, distribute toolkits, follow stringent reporting criteria and act as ambassadors of Nirdhan. Our core team is superb but finding additional LSPs to perform the said roles and undertake the necessary training has taken longer than expected. Also, as our staff gain experience other organisations are keen to recruit them.

We have found that our main chick supplier in the neighbouring state of Odisha has let us down on a few occasions with either late delivery of birds or poor quality ones. Both have a negative impact on our reputation affecting the trust between Nirdhan and our farmers. We have been looking for alternative suppliers so that we are not over reliant on one or two in the future.

In April 2015, we were excited that a city buyer requested a regular supply of Nirdhan branded, 'organic' birds and wanted a large quantity on a monthly basis, offering our farmers a better price than in local markets and Nirdhan commission for the service. However, after a couple of months, he failed to turn up yet our farmers were all ready with their birds. We had to spend time rebuilding confidence and trust amongst our farmers and are now working on new ways to provide market links.

## Future

In 2016-7, we plan to deliver 10,000 poultry toolkits across our four locations. Rather than selecting a fifth location, we will focus our efforts on getting our farmers into groups so they can benefit from access to finance, procure the constituent toolkit parts without the need for Shivia's intervention and access better markets without relying on one or two individual buyers. We will spend time in the coming months researching the best Farmer Producing Organisation for PDS as well as addressing some of the concerns given that our female farmers work 16-18 hours per day doing other work and household chores; it will be challenging to find time to be part of well organised groups as well as to train them in management of groups, marketing and finance. However, with the advice and guidance of Shailendra Patel from Project Sophia we hope to overcome these concerns and pilot our first FPO at Familia location.

<sup>2</sup> The amount depends on the breed of bird and/or toolkit number.

## Agri-Management Services (AMS)

I am delighted with the results of AMS following our two-year pilot. We started AMS in response to requests from our PDS home farmers who have small but un-productive plots of land. AMS provides training on how to develop these plots to produce high yield crops and a new source of income for the family. It also focuses on procuring seeds at better prices, soil testing, planting and caring for crops, the treatment of any diseases that occur, and finally helps with sales. We currently have two full LSPs delivering AMS at Familia location.

We are seeing positive results from initial yields and have helped over 668 families of which 422 joined the programme in 2015-16. We spent much of 2015 helping these farmers form Farmer Interest Groups (FIGs)<sup>3</sup> and there are now 40 of which 24 were formed this year. As a member of a FIG, they have to save which is a practice many have not undertaken before. The groups benefit from economies of scale and access to lower cost inputs and selling products for better prices. 22 groups to date have opened bank accounts and gained access to finance – credit and loans to buy new farm inputs and insurance.

As with PDS, the farmers make a small contribution to our AMS service; a one-off 100 Rs fee. We are looking into charging an annual fee for repeat and new training to keep farmers abreast of the latest techniques and to help with our sustainability.

## Impact

The impact of AMS is very apparent since fields that were not productive now are, or, they are much healthier than neighbouring fields without our service. Our international visitors who saw AMS during the November trip were struck by the clear benefits to our farmers of this programme: both in the fields and from the formation of Farmer Interest Groups.

Most of our beneficiaries are **men** who are the husbands of our PDS farmers. They benefit from extra income and the ability to pay off debts and spend on their families (see Appendix 4 for case study). Some of the feedback is that families are able to stay together; by generating income, the men do not have to migrate to the cities in search of work. A long-term benefit to the farmer and to us is that once trained, the farmer has skills in AMS for life and no longer needs our services. As with PDS, the **children** benefit from the increased income this scheme generates which gives them a better chance of affording school as well as more nutritious meals, especially when the farmers can start growing more varied crops on their land.

## Challenges

The challenges with AMS have been that the service is highly dependent on the weather which has been

unpredictable in recent years – an unusually cold winter and a very hot end to the financial year. Given our farmers are typically illiterate and uneducated, it takes time to train them on forming and managing groups, learning to save and forming market links. With time and experience, however, we believe we can overcome these challenges.

## Future

In 2016, we plan to add an additional 400 farmers to our AMS programme as well as continue to work with our 668 existing farmers. We embark on an important step for AMS as we “go it alone”; for the last two years the well renowned livelihood organisation, BASIX<sup>4</sup>, has helped us pilot our programme at our Familia location. Nirdhan will now be fully responsible for training farmers in bio-friendly agricultural methods, forming new Farmer Interest Groups, opening bank accounts and ultimately transitioning these farmers into a Farmer Producing Organisation (FPO). Our plan in 2016 is to progress our 668 families into an FPO where they can gain even more benefits; the FPO will have the power to approach the banks for agricultural loans, negotiate with seed and fertiliser producers for better prices and connect with the markets directly rather than going through middlemen. As with PDS, we are researching the best legal structure given Prime Minister Modi’s pro-poor agenda and evolving regulation. Our General Manager, Joe Rao, has attended several trainings and conferences on the subject of FPOs and I feel confident that the team has the motivation to make this step change.

## Goateries

We spent much of 2015 researching our third enterprise, ‘Goateries’, which was in response to requests from our PDS home-farmers who do not have access to land. We believe our model is a potential income generating enterprise for Nirdhan. Our ‘goat nanny’ model provides goats to farmers for 27 months when we anticipate the goats will complete three cycles of reproduction. The farmers each pay a 500 Rs security deposit before receiving the 8-10 month old goats. They then receive training on goat rearing, vaccinations and medications. At the end of months 11 and 19, the farmers return half the total number of kids born from the first and second cycles to Nirdhan and at month 27, the other half of the total kids born, as well as the original parent goats. The farmers can then either sell their goats or continue to develop a small goat enterprise. The parent goats and kids returned to Nirdhan will be sold to generate income and make the programme financially sustainable.



<sup>3</sup> Each FIG has approximately 15 members.

<sup>4</sup> The Basix company that has assisted us is Basix Krishi Samruddhi Limited.

In January 2016, we launched our pilot and have distributed 44 goats (40 female and 4 male goats) to 20 families. Each family has signed a Memorandum of Understanding outlining that Nirdhan owns the goats yet they are in the farmers' custody. Two of our PDS LSPs are responsible for the pilot, at our second, largely Muslim location, Babnan. We have also hired an experienced goat consultant and the services of the Prani Bandhu (local vet). Our two LSPs are working under the guidance of the local Block Development office, a government organisation that helps us train our home-farmers and provides the vaccinations. Nirdhan obtained insurance for the goats separately.

After two years of consultation with our farmers, they are delighted to be included in the pilot phase of this programme. We will monitor and report back on the successes and challenges but anticipate the impact to be a significant upturn in income generated for the family with the opportunity to develop a sustainable goat enterprise in the future. Plus the added benefit of a source of fresh milk and meat for the whole family.

## Measuring our social impact

Measuring impact is of the utmost importance to us for making key decisions, engaging and retaining staff who are proud of what we are achieving and ensuring that we are spending our donors' money effectively. Whereas our current Social Performance Measurement process is satisfactory, we would like to move away from individual profiling and more towards household profiling to get a fuller picture of the impact our programmes are making on whole families. We have spent time this year improving our methodology and have hired a Progress out of Poverty expert to help us. We are in the process of developing fuller baseline surveys for our farmers to map household profiles, occupation, income, expenditure levels, asset ownership and financial inclusion status. These will also revalidate our targeting strategy to recruit extremely poor households and ensure we are making an impact where it is most needed. We have also developed specific surveys about toolkit use and programme satisfaction. We will continue to record observations of change from our field staff as well as anecdotes from the home-farmers.

At the same time, we are developing a database with the help of Salesforce on a pro-bono basis so that we can more efficiently slice and dice our data. We feel this is important given the increasing number of farmers and volumes of data that we are collecting.

## Acknowledgements

I would like to commend my trustees in the UK and India who give so much time and energy to Shivia above and beyond a typical trustee role. They not only keep Shivia (and me!) in check but are a guiding light and an experienced sounding board.

I am also extremely grateful to all those advisers and supporters who have so generously given their time,

knowledge, guidance and skills to Shivia – office, legal, website, strategic advice and our new database. I am grateful to all those of you who have helped us in our fund-raising by organising events, introducing us to potential donors and giving so generously yourselves. Your generosity hugely motivates our local team and beneficiaries to know that people across the other side of the world are doing things to help improve their lives.

To those of you who have been out to see our work in India, we benefit hugely from your insights, observations and experience. Our team enjoys the challenge as well as the chance to show-case what we work so hard to achieve every day.

I am delighted that we were short-listed in the Charity Times 2015 "charity of the year under £1 million" and the Financial News Extra Mile 40 list. Due to Shivia, I was included in my Oxford University College, St Edmund Hall's, "Women Inspire" collection for 35 selected women. I am aware that these accolades are in recognition of my team and the families we work with who tirelessly strive to better their lives. They inspire us all on a daily basis as do our staff who are dedicated to changing the lives of the world's poorest who, bottom line, shouldn't be living the way they are.

I asked Chandrani, our Head of Livelihoods, why she loves working for Shivia and she replied:

*'Sima, a 34-year-old home farmer, recently told me, "Since I joined the PDS programme, I am no longer an agricultural labourer, away from home and migrating from one field to another in search of work. With your help, I feel I will one day own a pucca house (concrete house) and be able to send my children for higher education." Her eyes were gleaming with confidence and aspiration as she spoke to me.'*

*I have come across many women like Sima whilst on my Shivia duty; a duty which I enjoy to the core. It makes me proud of women like Sima as well as myself. I feel lucky to have been chosen for this work, to bring such happiness to people's lives. At the end of the day, they are people like me who have small dreams to see their children do well in life.'*

Thank you so much all for your support,

**Olivia Donnelly**



## Report of the Trustees

The trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2016.

The financial statements comply with the Charities Act 2011, The Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

The Company was entered on the Register of Charities by the Charity Commission on 27th October 2008, number 1126444.

### 1) Trustees

Mr Stuart Tester	Non-executive Chairman of the Board
Ms Olivia Donnelly	Chief Executive Officer
Mr Christopher Langridge	Chief Financial Officer and Secretary
Mr Timothy Neslen	Non-executive
Mr Nishant Lalwani	Non-executive
Mr Deepak Arora	Non-executive, appointed 28 April 2016

### 2) Objectives and activities

The Company's objectives in our Memorandum of Articles and Association are:

a/ the relief of need in areas of social and economic deprivation (and in particular in and Nepal) by:

1/ the provision of financial assistance, technical assistance or business advice or consultancy in order to provide training and employment opportunities for unemployed people in cases of financial or other charitable need through help:

- (i) in setting up their own business; or
- (ii) to existing businesses; and

2/ the advancement of education, training or retraining, particularly among unemployed people, and providing unemployed people with work experience; and

b/ the relief of unemployment for the benefit of the public in such ways as may be thought fit, including assistance to find employment.

To achieve our objectives, Shivia's mission is to empower the poorest to create livelihoods, boost income and inspire positive, permanent change. We have two programmes, our Livelihood Programme and our Partners Programme, although this year marks the end of our Partners Programme. We now focus our work solely in West Bengal, India and carry out two main activities: the provision of toolkits and training under our Livelihood Programme.

In all our work, we emphasise our core values: transparency, needs-driven, impact-driven, responsive and sustainability.

#### Livelihood Programme

Our Livelihood Programme is run by Shivia India in the State of West Bengal, operating under its legal, registered name of Nirdhan Development and Microfinance (Nirdhan). Nirdhan provides poor rural families with skills and toolkits to create livelihoods and enterprises and increase their household income. It started in 2011 with Poultry Development Services; in 2014 we introduced Agri-Management Services and in 2016 we piloted our third enterprise, Goat-Farming, referred to locally as "Goateries".

Poultry Development Services (PDS) covers four locations (770 villages) within a 70km radius of Kolkata. PDS is a market-led enterprise which requires no land to develop, can be done from home by anyone regardless of religion, is risk averse due to the low cost of chicks and number per toolkit and if the farmers cannot sell the meat and eggs, they can eat them. PDS is delivered through training and poultry toolkits which provide everything a family needs to start and sustain their new enterprise. The subsidised toolkit comprises 10 one day old chicks or ducks; vaccinations and medication to prevent disease and mortality; initial feed for 2 weeks and, most importantly, expert education and training over 6 months in all aspects of poultry husbandry, financial management and how to market the produce. It mainly targets women and families can earn up to 30% additional income by selling eggs.

Agri-Management Services (AMS) works mainly with the husbands of our PDS farmers who have access to land. AMS provides training on how to develop these plots of land to produce high yield crops and a new source of income for the family. It also focuses on procuring seeds at better prices, soil testing, planting and caring for crops, the treatment of any diseases that occur, and finally help with sales.

Goat-Farming (Goateries) was launched in January 2016 after one year's research and we are running a 27 month pilot. It is a "goat nanny model" where Nirdhan provides goats to farmers for this period; we anticipate the goats will complete 3 cycles of reproduction. The farmers receive training on goat raising, vaccinations and medications. The plan is that at the end of month eleven and nineteen, the farmers return half of the total kids of the 1<sup>st</sup> and 2<sup>nd</sup> cycle to Nirdhan and at the end of the 27<sup>th</sup> month, the other half of the total kids as well as the original parent goats. The parents and kids will be sold by Nirdhan to generate income and the farmers can either sell theirs or breed and develop a small enterprise.

The current positions of these projects are explained more fully in the Chief Executive's report.

### **Partners Programme**

The Board has determined that Shivia will no longer be supporting any other charities in the Indian subcontinent. Of the two charities it was supporting, the loan to SAATH in Gujarat was repaid in 2015 and following the natural disasters and political unrest in Nepal in 2016, the Board has written off the loan to BASE, resulting in one final provision for bad debts of £16,635 in the year under review.

## **3) Public Benefit**

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. The Trustees consider that the Charity's activities reflect our aims and objectives, and that they are designed to provide accessible services and activities that benefit the appropriate sector of the very poor of India.

## **4) Achievements**

Our main achievements in the year under review are:

- Distributed 9,161 poultry toolkits to 2,373 families and trained over 10,000 people in backyard poultry farming
- Expanded AMS to 668 families, 40 Farmer Interest Groups and opened 22 bank accounts
- Pilot our third enterprise, Goateries

Please refer to Chief Executive's report for more detail on projects and achievements.

## **5) Financial review of the period**

Results of the year ended 31<sup>st</sup> March 2016 are shown in the Consolidated Statement of Financial Activities on page 12. The financial statements should be read in conjunction with their related notes, which appear on pages 14 to 20.

In summary, the Charity's income for the period was £216,514 details of which are shown in the income and expenditure account on page 12.

Income credited to the West Bengal, Gujarat and Nepal funds may be used only for operations in those states respectively. Income credited to the Unspecified Operations fund may be used only for operations, in such locations as the Board may authorise.

£85,000 was sent to Nirdhan for its Livelihood Programmes.

The Board's Reserves policy is to retain sufficient cash balances to meet the following 12 month's costs.

## 6) Governance and management

### Governing document

The Company is limited by guarantee, the governing document being its Memorandum and Articles of Association, as amended by special resolution dated 16 October 2008. Membership, which is limited to the subscribers to the Memorandum of Association and to the trustees, is not transferable. The liability of each member in the event of the dissolution of the Company is limited to £10.

### Trustees

The Trustees may appoint additional trustees or to fill a casual vacancy; such appointees must retire at the next annual general meeting, but may offer themselves for re-election. The Board, which must have at least three members, provides governance and oversight; it meets six times a year and holds interim telephone conferences.

Mr Tester is the Chairman of the Board; Ms Donnelly is Chief Executive Officer and Mr Langridge is Company Secretary and Chief Financial Officer. The Remuneration Committee comprises Messrs. Tester and Neslen.

At the forthcoming Annual General Meeting, Mr Lalwani will resign as a trustee and offers himself for re-election.

The Trustees are delighted that Mr Deepak Arora has joined the Board of Trustees with effect from 28 April 2016.

### Management

The management team comprises Ms Donnelly, Chief Executive Officer, Mr Langridge, Chief Financial Officer and Mrs Victoria Denison, Executive Assistant, both of whom report to Ms Donnelly.

Ms Donnelly, who is in charge of the day-to-day running of the Company, planning, fund raising and the management of risk, reports to the Board of Trustees.

The Company, with the authorisation of the Charity Commission under section 26 of the Charities Act 1993, paid Ms Donnelly a salary of £34,937 as well as a bonus and allowances totaling £2,090.

Mr Langridge, who works on a voluntary basis, assists Ms Donnelly with planning and organisation. He is responsible for the finance functions and advises the Board on matters of governance.

Mrs Denison is responsible for day-to-day administrative matters, event organisation, helping with donor reports and newsletters as well as assisting Ms Donnelly with fund-raising.

Mr Jogeshwar Rao, the General Manager of Nirdhan is responsible for the day-to-day operations in Kolkata; he reports to the directors of Nirdhan. He also monitors the funds lent to BASE, reporting thereon to Ms Donnelly.

Shivia enjoys generous support from a number of friends and advisers (legal, website, office space, database) as well as volunteers who help with specific purposes, such as events.

### Facilities

The Company's registered office is at EFG Private Bank, London, a donated service for which it is most grateful.

This statement was approved and authorised for issue by the Board on 26th May 2016 and signed on its behalf by:

**Olivia Donnelly**  
Trustee

**Stuart Tester**  
Trustee

# SHIVIA

## Consolidated statement of financial activities including Income & Expenditure Account for the year ended 31st March 2016

	Note	General fund £	Restricted funds £	2016 Total £	2015 Total £
<b>Incoming resources</b>					
Donations and Legacies	4	49,201	103,842	153,043	171,526
Other Trading activities		16,732	6,000	22,732	11,524
Other incoming resources		0	38,320	38,320	27,601
Income from investments	5	318	2,100	2,418	3,973
Total incoming resources		66,251	150,262	216,513	214,624
<b>Resources expended</b>					
Expenditure on raising funds	6	20,938	0	20,938	20,934
Expenditure on charitable activities	6	36,161	120,832	156,993	172,824
Expenditure on charitable activities - Governance	6	35,595	17,065	52,660	13,118
Total resources expended		92,695	137,897	230,592	206,876
<b>Net income/(expenditure)</b>		<b>(26,444)</b>	<b>12,365</b>	<b>(14,079)</b>	<b>7,748</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		118,680	87,427	206,107	198,359
<b>Total funds carried forward</b>	15	<b>92,236</b>	<b>99,792</b>	<b>192,028</b>	<b>206,107</b>

The accompanying notes and policies form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Trustees on 26th May 2016 and signed on their behalf by :

Olivia Donnelly  
Trustee



Stuart Tester  
Trustee



# SHIVIA

## BALANCE SHEETS

31st March 2016

	Note	31 March 2016		31 March 2015	
		The Group £	The Company £	The Group £	The Company £
<b>Fixed assets</b>					
Tangible assets	10	2,459	483	2,751	770
Programme related investments	11	0	324,350	19,369	258,719
		2,459	324,833	22,120	259,489
<b>Current assets</b>					
Stocks		30		169	
Debtors	12	6,245	1,829	3,946	237
Cash at bank		200,019	129,358	193,999	118,782
		206,294	131,187	198,114	119,019
<b>Creditors - amounts falling due within 1 year</b>	13	(16,725)	(9,260)	(14,127)	(4,884)
<b>Net current assets</b>		189,569	121,926	183,987	114,135
<b>Total assets less current liabilities</b>		<b>£ 192,028</b>	<b>£ 446,760</b>	<b>£ 206,107</b>	<b>£ 373,624</b>
<b>Funds</b>					
Unrestricted income funds	15	97,009	97,009	118,680	118,680
Restricted income funds :					
West Bengal fund	15	78,699	333,431	74,690	242,207
Gujarat fund	15	0	0	0	0
Nepal fund	15	0	0	2,520	2,520
Unspecified operations fund	15	16,320	16,320	10,217	10,217
<b>Total funds</b>		<b>£ 192,028</b>	<b>£ 446,760</b>	<b>£ 206,107</b>	<b>£ 373,624</b>

The Company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2016. The members have not required the Company to obtain an audit of these financial statements in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for:

- ensuring that the Company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the Company.

The accompanying notes and policies form an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Trustees on 26th May 2016 and signed on their behalf by :

Olivia Donnelly  
Trustee



Stuart Tester  
Trustee



# SHIVIA

## NOTES TO THE ACCOUNTS for the year ended 31st March 2016

### 1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in preparation of the financial statements are as follows.

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with the "Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard for Smaller Entities published on 16/07/14, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

b) Incoming resources

Donations and Legacies which provide core funding or is of a general nature is recognised when there is a certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred where the donor specifies that the donation must only be used in future accounting periods or has imposed conditions which must be met before the Company has an unconditional entitlement. Investment income is recognised on a receivable basis. Donated services and facilities are included at values estimated by the donors. The Company has not received any Legacies since it commenced to trade.

c) Volunteers

No provision is made in these financial statements for the value of services provided by volunteers. Further details of the contribution made by volunteers can be found in the Trustees' Report.

d) Resources expended

Expenditure is recognised when a liability is incurred.

e) Value added tax

Irrecoverable value added tax is charged against the category of expenditure on which it was incurred.

f) Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Company. Designated Funds are unrestricted funds of the Company which the Trustees have decided in their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular area's of the Company's work. Details of such funds are shown in note 15.

g) Programme related investments

Details of programme related investments are set out in note 11.

h) Depreciation of tangible fixed assets

Fixed assets are depreciated to write them off over their expected useful lives  
in the United Kingdom by equal annual instalments at the rate of 20% on cost  
in India at the following rates on the reducing balance -

computers	60%
office equipment	20%

### 2 Legal status of the Company

The Company is limited by guarantee and has no share capital. The liability of each member in the event of the dissolution of the Company is limited to £10.

### 3 Consolidated accounts

The Company is the principal provider of funds to Nirdhan Development & Microfinance (note 11) and the management teams of the entities have a close working relationship. Accordingly, for the purposes of presenting a complete, true and fair view the state of financial affairs of all the group interests, the Trustees of the Company have prepared consolidated financial statements.

# SHIVIA

## NOTES TO THE ACCOUNTS for the year ended 31st March 2016

	£	£	2016 £	2015 £		
<b>4 Donations and Legacies</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>		
Donations - Individuals	8,344	2,609	10,953	70,162		
Donations - Foundations or trusts	38,232	90,970	129,202	88,921		
Legacies	0	0	0	0		
Donated services	2,625	10,263	12,888	12,443		
	49,201	103,842	153,043	171,526		
<b>5 Income from investments</b>						
Bank interest	318	2,100	2,418	3,973		
<b>6 Resources expended</b>						
	<b>Fund raising</b>	<b>Governance</b>	<b>Administration</b>	<b>Charitable activities</b>	<b>Total</b>	<b>Total</b>
<b>Unrestricted fund</b>						
Costs directly attributable to activities						
Staff costs	14,095	4,010	1,947	29,206	49,258	46,673
Travel and subsistence	2,294	0	225	4,863	7,383	10,519
Social Impact Assessment				921	921	0
Activities for generating funds	4,316				4,316	2,319
External examination		1,000			1,000	1,000
Accountancy fees		3,628			3,628	5,921
Legal costs		13			13	348
Legal costs *		0			0	0
	20,704	8,651	2,172	34,991	66,519	66,780
Support costs						
Office costs	0	0	2,159		2,159	4,193
Office costs *	0	2,625			2,625	2,740
Depreciation of fixed assets		0	288		288	288
Other	234	332		1,171	1,737	426
	234	2,957	2,447	1,171	6,809	7,647
Operating Costs	20,938	11,608	4,619	36,161	73,328	74,427
Provision for doubtful debts		0	16,635		16,635	0
Provision for exchange diffis		0	2734		2,734	(889)
	20,938	11,608	23,988	36,161	92,697	73,538
	20,938	11,608	23,988	36,161	92,697	73,538

# SHIVIA

## NOTES TO THE ACCOUNTS for the year ended 31st March 2016

### 6 Resources expended, continued

	Fund raising	Governance	Administration	Charitable activities	Total	Total
<b>Restricted funds</b>						
Costs directly attributable to activities						
Grants to Partners				6,518	6,518	6,087
Staff costs				54,569	54,569	45,162
Purchases for resale				30,595	30,595	21,250
Travel and subsistence				2,394	2,394	2,071
Audit fees		316			316	432
Other				2,444	2,444	7,977
		316		96,520	96,836	82,979
Support costs						
Staff costs				19,763	19,763	17,467
Travel and subsistence				4,549	4,549	4,935
Consultancy fees				0	0	0
Office costs		6,045			6,045	5,730
Office costs *		7,895			7,895	8,086
Legal costs		77			77	512
Legal costs *		2,368			2,368	1,617
Depreciation of fixed assets		0	364		364	370
		16,385	364	24,312	41,061	38,717
Operating costs		16,701	364	120,832	137,897	121,696
Provision for doubtful debts		0			0	19,000
Provision for exchange diffs					0	(7,356)
	0	16,701	364	120,832	137,897	133,340
	0	16,701	364	120,832	137,897	133,340
<b>Total all funds</b>	20,938	28,309	24,352	156,993	230,594	206,878

The Board closely monitors and controls governance and administration costs and is pleased that the running costs in 2016 are approximately 10% lower than in 2015. However, in both 2016 and 2015 adjustments were required which have distorted the actual governance and administration costs, namely in 2016 by the inclusion of a doubtful debt provision of £16,635, as referred to in Note 11, and in 2015 by the write back of a provision for foreign currency losses of which £22,866 out of the total write back of £8,245, was attributable to the support costs of the Group.

\* donated services

	The Group £	2016 The Company £	The Group £	2015 The Company £
<b>7 Analysis of staff costs</b>				
Ms O M Donnelly, gross	37,027	37,027	34,500	34,500
Other UK staff, gross	10,166	10,166	10,000	10,000
UK employer's national insurance	2,065	2,065	2,173	2,173
Indian staff - gross salaries	61,933	0	51,199	
Indian staff - payroll costs	12,399	0	11,430	
Pension cost	0	0	0	0
	123,590	49,258	109,302	46,673
Average number of staff employed during the year	46.0	2.0	43	2
Average number of full time equivalent employees	44.4	1.5	43	2
Number of employees with emoluments above £60,000	0	0	0	0

# SHIVIA

## NOTES TO THE ACCOUNTS for the year ended 31st March 2016

	The Group £	2016 The Company £	The Group £	2015 The Company £
<b>8 Movement in total funds for the period</b>				
Depreciation	649	287	682	288
Auditors' remuneration	1,316	1,000	1,432	1,000
<b>9 Taxation</b>				
The Company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives.				
<b>10 Tangible assets</b>				
<b>Office equipment</b>				
<b>Cost</b>				
At 1st April 2015	4,524	1,438	3,529	1,438
Additions	359	0	995	0
Disposals		0	0	0
At 31st March 2016	4,883	1,438	4,524	1,438
<b>Depreciation</b>				
At 1st April 2015	1,775	668	1,093	380
Depreciation charge	649	287	682	288
Disposals		0	0	0
At 31st March 2016	2,424	955	1,775	668
<b>Net book value</b>				
At 1st April 2015	2,751	771	2,436	1,058
At 31st March 2016	2,459	483	2,751	770
<b>Total net book values</b>				
At 1st April 2015	2,751	771	2,436	1,058
At 31st March 2016	2,459	483	2,751	770
<b>11 Programme related investments</b>				
Backward Society Education, Nepal	0	0	19,369	19,369
Nirdhan Development & Microfinance	0	324,350	0	239,350
	0	324,350	19,369	258,719

The loan to Backward Society Education, which is denominated in Nepalese Rupees, is to fund part of a project for the eradication of poverty in West Nepal and is repayable in 12 equal monthly instalments beginning in January 2015. The management of BASE have confirmed that they intend to repay the entire loan but have indicated that the start date for repayment has slipped. Following the natural disasters affecting the country over the last 18 months, the Board considered it prudent to provide for the remaining balance of the loan, £16,635, which has been charged to Governance costs.

# SHIVIA

## NOTES TO THE ACCOUNTS for the year ended 31st March 2016

	The Group £	2016 The Company £	The Group £	2015 The Company £
<b>11 Programme related investments, continued</b>				
<p>Nirdhan Development and Microfinance ('Nirdhan') which manages livelihood development programmes for the alleviation of poverty in a number of rural areas of West Bengal, is a private limited liability company formed in August 2011 under Section 25 of the Indian Companies Act 1956, which section has been subsumed into Section 8 of the Indian Companies Act 2013, under which it is required to apply its income to the promotion of its objects and is prohibited from paying dividends or remuneration to its members. The directors of Nirdhan are Messrs Vasant Subramanyan, Shourya Mandal, Amitabh Rai, Deepak Daftari and S Radhakrishnan all of Indian nationality and residence. Nirdhan has obtained Permanent Approval under the FCRA from the Central Government of India under section 11(2) of the Foreign Contribution (Regulation) Act, 2010 which allows it to accept any amounts of donations from any donor to be used exclusively for the purpose of income generation projects/schemes, without having to obtain approval first. The Company has no legal control over Nirdhan : the relationship between the two companies is defined in a Memorandum of Understanding dated 12th February 2013. Shivia India donated all its cash and assets as at 1 April 2015 to Nirdhan.</p> <p>Nirdhan's aggregate assets at 31st March were £76,858 (2015 £79,785) its liabilities £7,466 (2015 £9,038) and its funds £69,392 (2015 £70,746). Its incoming resources for the year were £135,371 (2015 £169,922), its resources expended £137,897 (2015 £146,724) and its net movement of funds was £-1356 (2015 £70,745). Of the £135,371 of incoming resources the significant elements were £85,000 received from Shivia, £38,000 as receipts from farmers and £10,000 being donated services. Of the £85,000 (2015 £57,082) from Shivia, £82,000 was for the PDS project and £3,000 was for the Goateries.</p>				
<b>12 Debtors</b>				
Trade debtors	0	0	0	0
Gift Aid recoverable	0	0	0	0
Prepayments	6,245	1,827	3,946	235
	<u>6,245</u>	<u>1,827</u>	<u>3,946</u>	<u>235</u>
<b>13 Creditors - amounts falling due within 1 year</b>				
Trade creditors	316	0	1,224	954
Accrued expenses	16,409	9,259	12,903	3,930
	<u>16,725</u>	<u>9,259</u>	<u>14,127</u>	<u>4,884</u>

# SHIVIA

## NOTES TO THE ACCOUNTS for the year ended 31st March 2016

	The Group £	2016 The Company £		The Group £	2015 The Company £	
14 Contingent liability						
	0	0		0	0	
15 Analysis of funds movements						
	General fund Unrestricted	West Bengal fund Restricted	Gujarat fund Restricted	Nepal fund Restricted	Unspecified operations fund Restricted	Total
	£	£	£	£	£	£
2016 The Group						
Balance at beginning of period	118,680	74,690	0	2,520	10,217	206,107
Incoming resources	66,252	120,263			30,000	216,515
Interfund transfer	(7,965)	21,646			(13,681)	(1)
Resources expended	(79,958)	(137,899)		(2,520)	(10,216)	(230,593)
Balance at end of period	97,009	78,699	0	0	16,320	192,028
2016 The Company						
Balance at beginning of period	118,680	242,205	0	2,520	10,217	373,622
Incoming resources	66,252	69,579			30,000	165,831
Interfund transfer	(7,965)	21,646			(13,681)	(1)
Resources expended	(79,958)			(2,520)	(10,216)	(92,694)
Balance at end of period	97,009	333,429	0	0	16,320	446,758

# SHIVIA

## NOTES TO THE ACCOUNTS for the year ended 31st March 2016

### 15 Analysis of funds movements, continued

	General fund Unrestricted	West Bengal fund Restricted	Gujarat fund Restricted	Nepal fund Restricted	Unspecified operations fund Restricted	Total
<b>2015 The Group</b>						
Balance at beginning of period	86,310	52,867	17,847	4,649	36,686	198,359
Incoming resources	112,423	96,116	0	6,087	0	214,626
Interfund Transfer		34,865	(17,433)		(17,432)	
Resources expended	(80,053)	(109,158)	(414)	(8,216)	(9,037)	(206,878)
Balance at end of period	118,680	74,690	0	2,520	10,217	206,107
<b>2015 Company</b>						
Balance at beginning of period	86,310	151,618	17,847	4,649	36,686	297,110
Incoming resources	112,423	55,195	0	6,087	0	173,705
Interfund transfer		34,865	(17,433)		(17,432)	
Resources expended	(80,053)	527	(414)	(8,216)	(9,037)	(97,193)
Balance at end of period	118,680	242,205	0	2,520	10,217	373,622

Income credited to the West Bengal, Gujarat and Nepal funds may be used only for operations in those states respectively.

Income credited to the Unspecified Operations fund may be used only for operations, in such locations as the Board may authorise.

2016 The Company £	2015 The Company £
-----------------------------	-----------------------------

### 16 Related party transactions

The Company incurred the following expenses for five Trustees in connection with the Company's operations as follows :

Travelling	5,774	7,189
Subsistence & entertaining	1,608	1,345
Telephone	1,561	1,347
Other	288	638
	<u>9,231</u>	<u>10,519</u>

The Company, with the authorisation of the Charity Commission under section 26 of the Charities Act 1993, paid Ms Donnelly a salary of £34,937 p.a. together with incentives of a further £2,090

### 17 Auditor and independent examiner

Neither the Indian auditor nor the United Kingdom external examiner was paid for any other financial services other than their audit and external examination respectively.

# Statement of trustees' responsibilities

## General responsibilities

The Trustees are responsible for preparing the report of the Trustees and the financial statements in accordance with applicable law and the United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and apply them consistently
- make judgments and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Trustees confirm that they have complied with the above requirements in preparing the financial statements.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2008. They are also responsible for safeguarding the assets of the Company and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Trustees' declaration on unaudited financial statements

In relation to the financial statements comprising the Profit and Loss Account, the Balance Sheet, the Accounting Policies and the related notes the Trustees approve these financial statements and confirm that they are responsible for them, including selecting the appropriate accounting policies, applying them consistently and making, on a reasonable and prudent basis, the judgments underlying them. They have been prepared on the going concern basis on the grounds that the Company will continue in business.

The Trustees confirm that to the best of their knowledge and belief, the accounting records reflect all the transactions of the Company for the period ended 31st March 2016.

## Signed on behalf of the Board



**Olivia Donnelly**  
**Trustee**



**Stuart Tester**  
**Trustee**

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SHIVIA

I report on the accounts for the year ended 31 March 2016 set out on pages 12 to 20.

### **Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, 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 the independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

### **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 386 and 387 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) (effective 1 January 2015)

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



H W G Maxwell  
Maxwell & Co  
Suite 13, The Granary  
Hones Yard  
1 Waverley Lane  
Farnham  
Surrey  
GU9 8BB

Date: 24<sup>th</sup> May 2016

## APPENDIX 1: Administrative Details of Shivia and Nirdhan (Shivia India)

### Shivia

Registered office address:	c/o EFG Private Bank Ltd, Leconfield House, Curzon Street, London, W1J 5JB
	Email: <a href="mailto:info@shivia.com">info@shivia.com</a>
	Website: <a href="http://www.shivia.com">www.shivia.com</a>
Company registration number:	6596925
Charity registration number:	1126444
Bankers:	HSBC Bank, 129 New Bond Street, London W1S 1EA
Legal advisors:	Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ

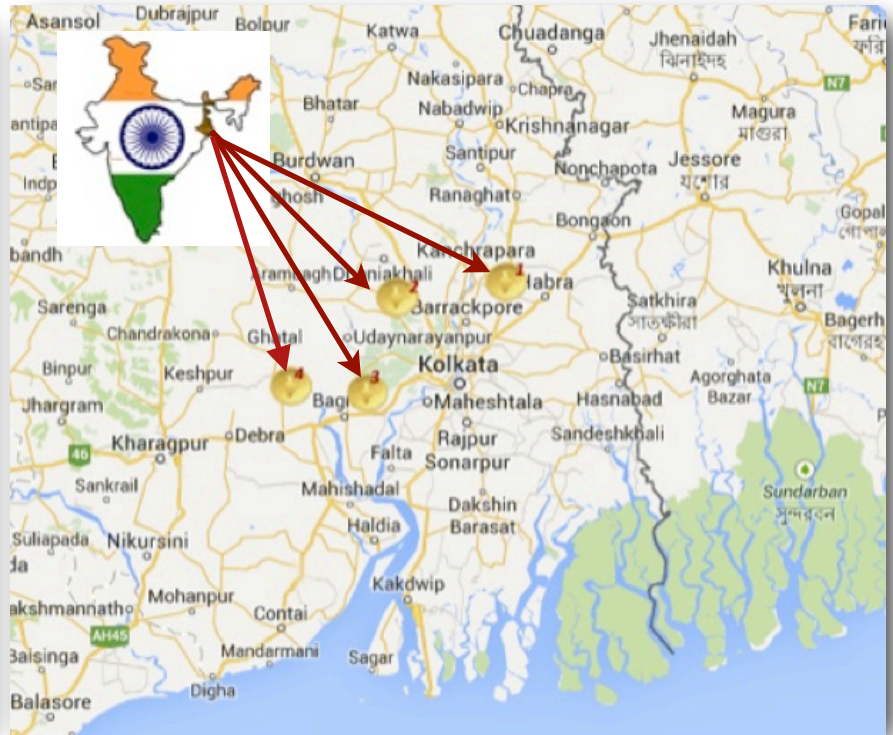
### **Nirdhan (Shivia India)**

Registered office:	D2 Rawdon Chambers, 11A Rawdon Street, Kolkata 700 017
Registration number:	11780
Auditors:	Banerjee & Bose, Chartered Accountants, 131/19 Netaji, Subhas Chandra Bose Road, Kolkata 700 040
Bankers:	HSBC Bank Ltd, 31 BBD Bagh, Kolkata 700 001
	Karur Vyaya Bank, 37 Shakespeare Sarani, S.B. Towers, Kolkata 700 017
	SBI Shakespeare Sarani Branch, Kolkata 700 017
Legal Advisors:	Fox Mandal, 12 Old Post Office Street, Kolkata 700 001

## APPENDIX 2: Map of Operations

Our Livelihood Programme in West Bengal is operational in four rural locations in the outskirts of Kolkata, all within a 70km radius of the city.

1. **Kanchrapara (Familia):**  
Operating since March 2011
2. **Babnan:** Operating since  
September 2011
3. **Sundia:** Operating since  
April 2014
4. **Kolaghat:** Operating  
since December 2014



Shivia Livelihood Service Providers are all recruited locally in West Bengal from the villages where we work

## APPENDIX 3: Biographies - Shivia (UK)



### Nick Jenkins, Patron

**Appointment Date:** Mr Jenkins was appointed patron of Shivia in April 2015

**Career:** Nick Jenkins is the founder of Moonpig.com. After reading Russian at university he spent eight years working as a commodity trader in Moscow before returning to the UK in 1998 to study for an MBA at Cranfield University. Immediately after graduating, Nick set up the online greeting card retail business 'Moonpig', which by 2011 had over four million customers worldwide. Since 2008, Nick has been actively investing in other start-up businesses, mostly in the technology and internet retail space, as well as being one of the dragons on the BBC's Dragons' Den. He sits on the investment committee of Impact Ventures UK, an investment fund which invests in social enterprises using innovation to find better solutions to social issues in the UK. Nick is a trustee of the international educational charity Ark.



### Olly Donnelly, CEO and Trustee

**Nationality:** British **Age:** 36

**Appointment Date:** Ms Donnelly founded Shivia in December 2007 and became a trustee in May 2008. She became Chief Executive in September 2010.

**Career:** Prior to Shivia, Ms Donnelly worked at Accenture Strategy in London and the World Bank in Washington DC. At the World Bank, she was awarded the World Bank Youth Innovation Fund.

**Education:** MSc (Distinction) and MA Geography (First Class Honours) both from Oxford University.

**Other:** Olly has travelled extensively over the last 15 years both in India and Nepal and has much experience working with NGOs and charities. She sits on the board of the charity MAITS; her Oxford College Committee, St Edmund Hall; her school Alumnae Committee, St Mary's Ascot. Olly previously sat on the International Committee for Leonard Cheshire International and the board of Moonpig Foundation. She is the UK Ambassador for the NGO, BASE, working with very poor communities in West Nepal and is also heavily involved with the foster home, Familia, in West Bengal. **Awards: 2009:** selected as one of Management Today's '35 women under 35'; **2014:** 'Women of the Future, Community Spirits' award; **2015:** selected for Financial News Extra Mile 40 List; **2016:** selected for St Edmund Hall Oxford 35 'Women Inspire' Collection.



### Stuart Tester, Chairman

**Nationality:** British **Age:** 64

**Appointment date:** Mr Tester was appointed a trustee in May 2008 and Chairman in October 2009.

**Career:** Mr Tester is a consultant in the international gas and energy business. Prior to this he was a Senior Executive with Royal Dutch Shell. He is also an adviser to the boards/CEOs of several businesses across a range of industry sectors, and works with the Cranfield Trust providing management support to various charities.

**Education:** Applied Chemistry at Greenwich University (First Class Honours).

**Other:** Former Special Adviser on Middle Eastern Affairs to TRHs The Prince of Wales and The Duchess of Cornwall.



### **Christopher Langridge, Trustee and Executive Director of Finance**

**Nationality:** British **Age:** 62

**Appointment Date:** Mr Langridge was appointed a trustee in December 2013.

**Career:** Mr Langridge has worked in manufacturing and financial services in Asia, Europe and the USA for 30 years at board level, in both general management and financial management. He has been a director of two public listed companies and runs his own consultancy business, advising a number of small companies on improving performance.

**Education:** Chartered Accountant (FCA) from Ernst & Young, London.



### **Tim Neslen, Trustee**

**Nationality:** British **Age:** 34

**Appointment Date:** Mr Neslen was appointed a trustee in September 2009; prior to this he volunteered with Shivia for four months.

**Career:** Mr Neslen works for Aventicum Capital Management, a real estate private equity fund. Prior to this he was at The Townsend Group, a real estate investment solutions firm, where he ran their co-investment program in Europe. Before this he was at Europa Capital, a real estate private equity fund, focusing on acquisitions. He started his career at Goldman Sachs in the merchant banking division.

**Education:** MA Geography at Oxford University, gaining the Shell prize for Field Work.



### **Nishant Lalwani, Trustee**

**Nationality:** British **Age:** 35

**Appointment Date:** Mr Lalwani was appointed a trustee in December 2013.

**Career:** Mr Lalwani has extensive experience in the international development and social enterprise sectors, including working with some of India's largest microfinance companies. He started a new fund, the Global Innovation Fund, to support the development, testing and scaling of innovations that accelerate poverty alleviation. Prior to this, Mr Lalwani was a core part of the Monitor Inclusive Markets group in India, which is focused on 'market-based solutions to create social change'. In this role he published papers on how businesses can engage the Bottom of the Pyramid in journals such as the Harvard Business Review. Before Monitor, he worked with the UNDP in Zambia and also spent several years in London and New York as a strategy consultant with Marakon Associates.

**Education:** MBA from Harvard Business School; MEng in Aeronautical Engineering and a BA in General Engineering from Cambridge University.



### **Deepak Arora, Trustee**

**Nationality:** British **Age:** 31

**Appointment Date:** Mr Arora was appointed a trustee in April 2016.

**Career:** Mr Arora is a solicitor specialising in financial regulatory and compliance matters. He advises and assists banks, financial institutions and financial market infrastructures in dealing with their regulatory challenges and regulator relationship management. Mr Arora originally assisted Shivia in 2008 with legal aspects of its establishment and Charity Commission application, whilst a trainee solicitor at Clifford Chance LLP (Shivia's legal advisors). Mr Arora has close family ties to Kolkata, West Bengal and has regularly travelled to the area since childhood.

**Education:** LLB Hons from University College London, University of London; Legal Practice Course, The College of Law; Solicitor of the Senior Courts of England & Wales.



### **Victoria Denison, Executive Assistant (part time)**

**Nationality:** British **Age:** 52

**Appointment Date:** Ms Denison joined as Shivia's Executive Assistant in December 2014.

**Career:** Victoria's background is in marketing and business events and has most recently been working in the charity sector. She helped establish The Abubilla Music Foundation in 2011 to research, record and preserve the traditional music heritage of East Africa and, as Project Manager, travelled extensively in Uganda in support of the charity's music recording programme, The Singing Wells Project.

**Education:** BA Joint Hons Law & Psychology, Keele University.

**Other:** Governor at Sheen Mount Primary School.

## **Biographies - Nirdhan (Shivia India)**



### **Vasant Subramanyan, Director**

**Nationality:** Indian **Age:** 51

**Appointment Date:** Mr Subramanyan was appointed a director of Nirdhan (Shivia India) in August 2011.

**Career:** Mr Subramanyan is Director and CEO of Last Peak, a full-service Info Tech enabled services provider, healthcare management and billing group. He is a serial entrepreneur and has promoted a number of business entities providing services to various healthcare companies in the USA as well as power utilities in India. He has also been a consultant in the info-tech space to technology ventures in the US which have seen the convergence of platforms in data, voice and picture capture. Mr Subramanyan was an international corporate compliance & financial administration consultant and former multi-national, F200 consultant on cross-border trade, statutory compliance, mergers and acquisitions.

**Education:** Bachelor of Commerce and Bachelor of Law, Calcutta University.

**Other:** Past President of Indo-American Chamber of Commerce (Eastern Regional Council) and Past President of TiE, Kolkata – a not for profit organisation, which advocates and promotes entrepreneurship.



### **Shouryabrata Mandal, Director**

**Nationality:** Indian **Age:** 49

**Appointment Date:** Mr Mandal was appointed a Director of Nirdhan (Shivia India) in August 2011.

**Career:** Mr Mandal is a partner at the Indian national law firm, Fox Mandal, based in Kolkata. He focuses on corporate and commercial law and has been named as one of the International Who's Who for Corporate Lawyers and Real Estate lawyers.

**Education:** Solicitor, England & Wales. Bsc (Honours) in Economics from Kolkata University and LLB from University of Bombay.

**Other:** Founder Chairman of the British Business Group, Kolkata; Former National President of Indo-American Chamber of Commerce.



### **Deepak Daftari: Director**

**Nationality:** Indian **Age:** 38

**Appointment Date:** Mr Daftari was appointed a director of Nirdhan (Shivia India) in November 2012.

**Career:** Mr Daftari is the CEO and Director of eSiksha.com & DD WebVision Pvt. Ltd. eSiksha.com is an education venture started in 1999 for the student community in India and today boasts a membership strength of one million users. DD Webvision Pvt. Ltd. is an executive resourcing firm catering to some of the most well-known IT Companies in India. He is an active angel investor, having invested in startups in multiple arenas such as IT, hospitality, education and QSR. He is also a domain investor, buying and selling high value domain names and has helped quite a few Fortune 500 companies acquire strategic domain names, in stealth mode.

**Education:** Bachelor of Commerce (Hons), Calcutta University. Diploma in System Analysis & Data Architecture, University of Western Australia. Also completed the e-Business Course conducted by IBM in association with PentaFour Technologies.



### **Amitabh Rai: Director**

**Nationality:** Indian **Age:** 45

**Appointment Date:** Mr Rai was appointed a director of Nirdhan (Shivia India) in November 2012.

**Career:** Mr Rai started his career with The Oberoi Group in 1991 and his last assignment with them was as Vice President & General Manager of The Oberoi Grand in Calcutta. In March 2012, Mr Rai took over the management and operations of Sinclairs Hotels, which has properties across five locations in India. Mr Rai was Co-Chairman of the tourism committee of the state of West Bengal for 2005-06, on the board of the tourism and hospitality committee of the Confederation of Indian Industries for 2006-07. He has also advised the government of the province of Yunan, China to set up hotel schools and service oriented training centers.

**Education:** Bachelor of Science (Hons) in Environmental Science from Bangalore University, post-graduate degree in Hotel Management from The Oberoi School of Hotel Management and Advanced Management Program in General Management, Cornell University.



### **Sundaresan Radhakrishnan: Director**

**Nationality:** Indian **Age:** 63

**Appointment Date:** Mr Radhakrishnan was appointed a director of Nirdhan (Shivia India) in December 2013.

**Career:** Mr Radhakrishnan is President of TiE (The IndusEntrepreneurs), Kolkata and Chairman of ICTE subcommittee of CII, Eastern Region. He is also a non-executive Director of DESCON Ltd., a knowledge based consultancy company specializing in the field of IT, ITES, GIS, power engineering, design and consultancy services. He worked previously as the Managing Director of DPSC Ltd.

**Education:** Law degree and professional Company Secretary qualification from St. Xavier's College, Kolkata.

**Other:** He is a Fellow of the Institute of Company Secretaries of India and a member of the All India Management Association. He was the President of The Bengal Chamber of Commerce & Industry, Kolkata, for two consecutive years in 2007 and 2008, and was Chairman of Electronics and Computer Software Export Promotion Council, Government of India, New Delhi for last two years.



### **Joe Rao: General Manager**

**Nationality:** Indian **Age:** 43

**Appointment Date:** Mr Rao was appointed General Manager in February 2013; he became Head of the Partners Programme in January 2012 and since March 2010 has been a consultant to Nirdhan (Shivia India).

**Career:** Mr Rao was appointed Acting General Manager of Nirdhan (Shivia India) in October 2012. Prior to this he was Manager of Operations for Last Peak which he joined 12 years ago; latterly he managed a team of over 500 professionals. Prior to this, he was in the hospitality industry for eight years.

**Education:** Bachelor of Commerce from Goenka College of Commerce and Business Administration, Kolkata, India.



### **Chandrani Banerjee: Head of Livelihood Programmes**

**Nationality:** Indian **Age:** 41

**Appointment Date:** Ms Banerjee became a consultant to Nirdhan (Shivia India) in March 2010 and was appointed Head of Livelihood Programme in January 2012.

**Career:** Ms Banerjee has been the Manager of Human Resources & Process Coordination for Last Peak since September 2004. She had joined Last Peak in 2001 and started her career as Trainer/Administrator in the company.

**Education:** Masters in Economics from Jadavpur University, Calcutta; Certified in National Eligibility Test for Lectureship from Delhi University; winner of a scholarship for higher studies in Social Welfare from Brandeis University, USA.

**Other:** Software application skills and speaks English, Hindi, Bengali.



### **Alope Saha: Head of Finance**

**Nationality:** Indian **Age:** 43

**Appointment Date:** Mr Saha was appointed Head of Finance in January 2012 and became a consultant to Nirdhan (Shivia India) in March 2010.

**Career:** Mr Saha heads the corporate functions of Last Peak (since 2000). Prior to this, he worked in several corporate houses in West Bengal as a Senior Accounts Officer.

**Education:** Masters in Commerce from Annamalai University (First Class) and Graduate in Commerce from Calcutta University (Honours).



### **Habib Reza: Operations Consultant**

**Nationality:** Indian **Age:** 36

**Appointment date:** Mr Reza was appointed a consultant to Nirdhan (Shivia India) in March 2010.

**Career:** Mr Reza is assistant accountant for Last Peak.

**Education:** Bachelor of Commerce (Accountancy Honours) from the University of Calcutta.

## APPENDIX 4: Case Studies from West Bengal

In addition to our formal Social Impact Assessments, we gather feedback from our farmers on a regular basis and use this information to improve our services. Here are some examples of the positive impact Shivia is having on the lives of our beneficiaries. Interviews by Chandrani Banerjee, Shivia's Head of Livelihoods. Photos by Victoria Denison.



Suparna first registered with Shivia for PDS in 2013 and has successfully raised chickens for over two years which she usually sells for meat at the local market. She has a large family of nine members who live with her, including her first grandchild who is now three years old. Her own son is 12 and she has used some of her earnings to buy a second hand bike for him, which he uses to get to school. She has also been able to buy extra school books for him. Of her enterprise with Shivia, Suparna says, ***"I am happy, really happy with the programme. Your support means I am able to look after my large family."***

Sujay registered with Shivia for PDS in 2014 because his job as an agricultural labourer was not providing a regular income to support the household, which includes his wife and two sons, his mother (all pictured) and his very elderly grandmother. Sujay's wife now manages their small poultry farm and has become so empowered buy her new enterprise that she has started a second enterprise in tailoring saris. They have also started a small grocery shop in the village. Sujay says, ***"I am very proud of my wife who manages all this. She is now a self-employed lady and the neighbours look upon her as their role model. We are very happy. Thank you Shivia!"***



Sabir Hossain is a farmer on our AMS programme. He registered with us in order to learn how to prepare bio-products at home and use them on his land to produce better quality crops. He was also keen to reduce the costs of farming. He has seen the quality of the guavas he grows increase significantly and reported that many buyers now come to him directly for his produce. His yield has increased since he started the training with Shivia and he is expecting to increase his income even more. His wife is delighted with his enterprise as he has bought her a second hand sewing machine and she is now earning her own money too. Sabir says, ***"Three cheers to the Shivia team for working so hard to make our lives better!"***

Yunus has recently registered with Shivia for AMS and is receiving training from this Livelihood Service Provider, Shantanu Nag, in all aspects of organic farming for his small plot of land. They have tested the soil and discussed crop selection based on the results. Shantanu is able to help Yunus negotiate better prices for his seeds and has taught him how to prepare bio-fertilisers and pesticides. Yunus is hoping for a good yield at harvest time and is expecting to increase his profits this year. He has three young children and his motivation is to provide a better life for them. He says, ***"I want to feed my family proper meals and clothe them well. Education is also important of course. These are my dreams - thank you for your support!"***



## APPENDIX 5: Meet our Livelihood Service Providers



**Syed Golam Sobhani** (pictured right) is one of Shivia's Livelihood Service Providers, part of the team responsible for delivering our services to our farmers. He started working for Shivia in 2015 after he met our Field Supervisor near where he lives at our Babnan location.

Syed had previously owned a small grocery shop but his income was irregular and he was not earning the money he needed to pay medical care for his ailing parents. He has a seven year old daughter and was eager to be able to afford extra tuition for her so she could get a better education and attend a good school.

Syed is delighted to be working for Shivia as he now has a regular income to support his family. He works on our PDS programme and has also started working on our newest enterprise, Goateries. One day a week Syed works in the local office helping our Field Supervisor with data entry from our social impact assessments. He told us that every day he sees the positive impact Shivia is having locally. He feels a significant change has come to the families he is helping with their farming enterprises.

He says, ***"I can see farmers buying new things for the family, a bicycle perhaps and clothes for the children. The men are able to take their produce to markets further away and get better prices for them. I can definitely see the positive impact in the families. Shivia is a true friend to very poor families in my village."***



**Majeeta Katul** (pictured right) is one of Shivia's four female Livelihood Service Providers. The majority of our LSPs are men but we are delighted when we can employ women in this role, for a number of reasons. Not only does it mean that we are offering them an opportunity to work and earn their own income, which is very empowering, but also our women farmers respond very well to Majeeta and our other female LSPs and find it easier to talk to them about how they are progressing with their poultry enterprise. But there are challenges to being a woman in this role and we have policies in place to mitigate for them and make sure our female LSPs are safe in their work.

Majeeta is exceptional as she is also a Muslim and culturally it is very unusual for Muslim women to work away from the home. She has overcome the many challenges that have faced her during her five years working for Shivia but it has definitely been worth it. Before working with us Majeeta had no source of income of her own. Now she is earning enough money to pay for her nephew's education. She feels very proud of her own achievements and now has the full support of her family who are also extremely proud of her.

Majeeta says, ***"I have made significant contact with my farmers over the years. They respect me as a woman working with them and have gained more confidence from this. They tell me that they are excellently served by Shivia and are very happy. That makes me very happy too."***

Shivia empowers the poorest to create livelihoods,  
boost income and inspire permanent change



## SHIVIA

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