

COMPANY REGISTRATION NUMBER 02132728

**MAHAVIR FOUNDATION LTD
FINANCIAL STATEMENTS
31 DECEMBER 2008**

Charity Number 296175

MALDE & CO

Chartered Certified Accountants & Registered Auditors
99 Kenton Road
Kenton Harrow
Middlesex
HA3 0AN

MAHAVIR FOUNDATION LTD
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

CONTENTS	PAGE
Members of the Board and professional advisers	3
Executive Committee's Annual Report	4
Independent auditors' report	9
Statement of Financial Activities (incorporating the income and expenditure account)	11
Balance sheet	12
Notes to the financial statements	13
The following pages do not form part of the financial statements	
Detailed statement of financial activities	19

MAHAVIR FOUNDATION LTD**MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS**

Registered charity name	Mahavir Foundation Ltd
Charity number	296175
Company registration number	02132728
Registered office	11 Lindsay Drive Kenton Harrow Middlesex HA3 0TA
The Trustee board	Mr Nemish H Mehta (Chairman) Dr Vinod Kapashi (resigned 31 August 2009) Mrs Nisha M Mehta
Secretary	Mr Chandrakant N Shah
The executive committee	Dr Vinod Kapashi (President) Mr Surendra D Mehta (Vice President) Mr Chandrakant N Shah MBE (Secretary) Mr Kirit Kothary (Treasurer) Mr Chandrakant Thakershi Doshi Mrs Daxa Doshi Mr Mukesh Kapashi Mr Kishore Mehta Mr Pramod Mehta Mr Anit Shah Mr Navin K Shah Mr Shantilal Somchand Shah Mr Aswin Laxmichand Vora Mrs Jayshree Vora Mr Mahendra Kothary (retired 08 September 2008) Mr Rashmi Desai (retired 08 September 2008)
Registered Auditors	Malde & Co Chartered Certified Accountants & Registered Auditors 99 Kenton Road Kenton Harrow Middlesex HA3 0AN
Bankers	CafCash Ltd Kings Hill West Mailling Kent ME19 4TA National Westminster Bank plc PO BOX 6037 186 Brompton Road London SW3 1XJ

MAHAVIR FOUNDATION LTD

EXECUTIVE COMMITTEE'S ANNUAL REPORT *(Continued)*

YEAR ENDED 31 DECEMBER 2008

The trustees have pleasure in presenting their report and the financial statements of the charity for the year ended 31 December 2008.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 3 of this annual report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

LEGAL AND ADMINISTRATIVE INFORMATION

Mahavir Foundation Ltd (Registered Charity No: 296175) was incorporated on the 19th May 1987. The Trust Deed governing the Charity was made on the 19th June 1987 and Mahavir Foundation Ltd was registered as Charity in U.K. The Charity operates throughout England and Wales.

ORGANISATIONAL STRUCTURE

The Foundation currently has a board of three trustees. These are listed on page 3. On 31st August 2009 Dr Vinod Kapashi resigned from the board of trustee but remains as an Executive Committee member.

The members of the executive committee, who are the Charity Trustees for the purpose of the Charities Act 1993, conduct the day-to-day running of the Foundation. The members elected the Committee for a two-year term at the Foundation's Annual General Meeting held on 4 August 2007.

The names of the current members of the Executive Committee are listed on page 3.

Mrs Nayan Shah, Mr Praful Vora and Mr Ashwin Shah are co-opted members of the committee.

The members of the executive committee listed on page 3 are the directors of the company.

RELATIONS WITH OTHER CHARITIES

The Foundation is an affiliated member of The National Council of Vanik Associations (UK).

RISK MANAGEMENT POLICY

Project commitments are made as and when adequate funds are available. Some fund raising activities took place during the current year, and further ones are planned during the course of next year to ensure that there is no material risk of incurring a deficit, and that such activities are within the scope of the charitable objectives of the organisation.

OBJECTIVES AND ACTIVITIES

OBJECTS OF THE CHARITY

The main objectives of the company are the advancement of Jain religion and Jain education in the United Kingdom and throughout the world.

ACTIVITIES:

2008

- On 26 April 2008, a joint *Mahavir Janma Kalyanak* function was held at Harrow Leisure Centre. The programme was organised by all Jain organisations in London and MF played a vital part in bringing it together and also providing help at the time of the event, which was attended by about 1200 people.
- On 27 April 2008, Pramodaben Chitrabhanu's lecture was held at the Kenton Derasar.
- On 24 May 2008, Pujya Dharmanandji from JVB India gave a lecture at the Kenton Derasar.

MAHAVIR FOUNDATION LTD

EXECUTIVE COMMITTEE'S ANNUAL REPORT *(Continued)*

YEAR ENDED 31 DECEMBER 2008

- On 17 August 2008, Padmavati (protector Goddess generally associated with Bhagwan Parshwanath) poojan was done jointly with the Bhakti Mandal group. This was a very successful joint programme attended by more than 500 people and generated about £1,500 for the Foundation.
- 27 August to 3 September 2008 *Paryushan* was celebrated at Kingsbury Hall with music provided by Ashish Mehta and his Party from Ahmedabad. The daily attendance was in excess of 300 people. The event was enjoyed by all those who attended and was very successful financially. The last day's *sawantsari pratkrman* was done at the Kadwa Patidar Hall and was attended by 750 people. Throughout this festival, morning discourses on Life of Bhagwan Mahavir were held at our Kenton derasar. The highlight of the festival was the fifth day (Mahavir Jayanti) when the Holy Scripture, the *Kalpsutra*, was read. All the Tapsvis (those who fasted for 3 or more days) were honoured on the seventh day.
- On 12 October 2008, *Siddhchakra Mahapoojan* was held at Copland High School, Wembley and was conducted by Mr Ashish Mehta. It was well attended by some 750 people and was largely sponsored by two MF members.

2009

- On 12 and 13 April 2009, a joint *Mahavir Janma Kalyanak* function was held at Harrow Leisure Centre. The programme was organised by all Jain organisations in UK (under the banner of Jains UK) and, through our President Vinubhai Kapashi, MF played a vital part in bringing it together and also providing help at the time of the event. This two-day event was attended by over 3000 people over two days. Lots of overseas dignitaries graced this function and delivered their papers. Mahavir Foundation had a stall displaying various Jain religion literature.
- *Samuh* (group) *Chityavandans* were done at the Derasar on many occasions (e.g. Diwali and New Year Day). The Kenton Centre was open whole day on the New Year Day and our members took full advantage of this expanded opening hours. Arti/Mangal Divo were performed few times during the day.
- Patt darshan was also done at Kenton Derasar two times last year. The tapestry of Shatrunjay temples was displayed in the Derasar on these occasions.
- Mahavir Foundation now performs sponsored *Snatra Pooja* (a worship ritual) on first Sunday of every month. This is being done in Kenton Road, Derasar.
- 16 August to 23 August 2009 *Paryushan* was celebrated at Kingsbury Hall with music provided by Amit Shah from Baroda, supplemented by our own Nituben Shah and her Party. The daily attendance was in excess of 300 people. The event was enjoyed by all those who attended and was very successful financially. Most days' pratikraman were sponsored at £401 each day. The last day's sawantsari pratkrman was done at the Whitchurch School and at the Croft Hall in Kingsbury High School and was in total attended by over 1,000 people. Throughout this festival, morning discourses on Life of Bhagwan Mahavir were held at our Kenton derasar. The highlight of the festival was the fifth day (Mahavir Jayanti) when the Holy Scripture, the *Kalpsutra*, was read. All the Tapsvis (those who fasted for 3 or more days) were honoured on the seventh day. Swamivatsalya was held on Bank Holiday Monday (31st August 2009) and was preceded by *Snatra Pooja* and *Panch Kalyanak Pooja*. The lunch was attended by more than 600 people and the expense of the day was sponsored by 54 generous well wishers each donating £101 (and one family donating £501).

MAHAVIR FOUNDATION LTD

EXECUTIVE COMMITTEE'S ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2008

ACHIEVEMENTS AND PERFORMANCE

PROJECTS:

DERASAR CENTRE

The Kenton Road centre remains very popular and is being used regularly by Shrimad Rajchandra Group, Shri Chandna Vidyapeeth teachers and other Jains. There is also a library of religious books and DVD's at the centre.

DERASAR PROJECT

As widely reported in our previous annual reports, it has not been possible for us to build a temple on a site (known as the Timbers) purchased for this purpose. We have put the property on the market with a view to sell. However, due to downturn in the property market, we are experiencing difficulties in selling the property at the price we want. At the date of approval of these financial statements the Foundation has accepted an offer to sell the property for £500,000, subject to contract.

Under the Charities legislation donations received by a charitable organisation for a specific project are returnable to the donors if the project does not materialise. Since we have not been able to build the Derasar for the reason set out above, the donations for the Timber Derasar project inclusive of estimated tax claimed of £ 193,379 have been transferred from the 'restricted funds' to 'other creditors' as the donors for this project are entitled to a refund of their donation. The Foundation has sufficient resources to settle this liability in full.

We are on look out for a replacement site. We will be writing to the donors of the Timbers project requesting them to disclaim their right to the original donation and permit the Foundation to use the donation towards any similar project. This would permit us to transfer an appropriate amount from other creditors to restricted funds in 2009 financial statements. We urge all the donors to sign the disclaimer letter.

FINANCIAL REVIEW

FINANCE AND ACCOUNTS

The Income and Expenditure Account and Balance Sheet of the Charity for the year ended 31 December 2008 are attached. The Main sources of income are:

- a) Paryushan income and donations made during the festival
- b) Bhandar and general donations
- c) Gift aid and tax refunds from HM Revenue and Customs
- d) Interest on bank deposits

FINANCIAL CONTROLS

The company's Articles require the Executive Committee to safeguard the assets of the Foundation. The detailed responsibilities of the Committee in relation to these accounts are set out under 'Responsibilities of the Executive Committee' on page 7.

RESERVES POLICY

Bearing in mind the aims and objects of the Charity, the trustees ensure that unrestricted funds are not invested in fixed and long-term assets, which would stall the progress of the activities. The trustees together with the treasurer regularly monitor the situation from time to time for any unenvisioned event and ensure that there are adequate free reserves available for the general purpose of the Charity.

MAHAVIR FOUNDATION LTD

EXECUTIVE COMMITTEE'S ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2008

INVESTMENT POWERS AND RESTRICTIONS

The Foundation does not hold funds on behalf of others. Its Executive Committee is empowered to invest prudently the Foundations surplus cash with a view to secure maximum return.

PLANS FOR FUTURE PERIODS

FUTURE STRATEGY

As noted above we are trying to sell the Timbers site. The future strategy can be worked out once the property at Harrow Weald is sold. However, the Kenton Road Derasar remains quite popular and the Foundation is considering expansion of the present site in conjunction with the owners of the property.

RESPONSIBILITIES OF THE TRUSTEES

The trustees are responsible for preparing the Executive Committee's Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with Companies Act 1985. The trustees 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

MAHAVIR FOUNDATION LTD

EXECUTIVE COMMITTEE'S ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2008

AUDITORS

A resolution to re-appoint Malde & Co as auditors for the ensuing year will be proposed at the Annual General Meeting.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
11 Lindsay Drive
Kenton
Harrow
Middlesex
HA3 0TA

Signed by order of the trustees

MR CHANDRAKANT N SHAH
Charity Secretary

16 September 2009

MAHAVIR FOUNDATION LTD**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAHAVIR
FOUNDATION LTD (continued)****YEAR ENDED 31 DECEMBER 2008**

We have audited the financial statements of Mahavir Foundation Ltd for the year ended 31 December 2008 on pages 10 to 19, which have been prepared under the historical cost convention and the accounting policies set out on pages 13 to 14.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND AUDITORS

The responsibilities of the trustees for preparing the Executive Committee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Trustees on page 7.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether the information given in the Executive Committee's Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding remuneration of the trustees and other transactions is not disclosed.

We read the Executive Committee's Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

MAHAVIR FOUNDATION LTD

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAHAVIR
FOUNDATION LTD *(continued)***

YEAR ENDED 31 DECEMBER 2008

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom
- Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 December 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Executive Committee's Annual Report is consistent with the financial statements.

99 Kenton Road
Kenton Harrow
Middlesex
HA3 0AN

17 September 2009

MALDE & CO
Chartered Certified Accountants
& Registered Auditors

MAHAVIR FOUNDATION LTD**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)****YEAR ENDED 31 DECEMBER 2008**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
INCOMING RESOURCES					
Incoming resources from generating funds:					
Voluntary income	2	53,322	(193,379)	(140,057)	67,241
Investment income	3	2,936	8,912	11,848	12,253
TOTAL INCOMING RESOURCES		<u>56,258</u>	<u>(184,467)</u>	<u>(128,209)</u>	<u>79,494</u>
RESOURCES EXPENDED					
Governance costs	4	(16,960)		(16,960)	(27,556)
TOTAL RESOURCES EXPENDED		<u>(16,960)</u>		<u>(16,960)</u>	<u>(27,556)</u>
NET (OUTGOING)INCOMING RESOURCES FOR THE YEAR/NET NET (DEFICIT)/INCOME FOR THE YEAR					
RECONCILIATION OF FUNDS	5	39,298	(184,467)	(145,169)	51,938
Total funds brought forward		<u>360,366</u>	<u>391,170</u>	<u>751,536</u>	<u>699,598</u>
TOTAL FUNDS CARRIED FORWARD		<u>399,664</u>	<u>206,703</u>	<u>606,367</u>	<u>751,536</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

MAHAVIR FOUNDATION LTD**BALANCE SHEET****31 DECEMBER 2008**

	Note	2008 £	2007 £
FIXED ASSETS			
Tangible assets	7	508,710	508,710
CURRENT ASSETS			
Debtors	8	8,233	10,724
Cash at bank		293,115	236,424
		<u>301,348</u>	<u>247,148</u>
CREDITORS: Amounts falling due within one year	9	<u>(203,691)</u>	<u>(4,322)</u>
NET CURRENT ASSETS		97,657	242,826
TOTAL ASSETS LESS CURRENT LIABILITIES		606,367	751,536
NET ASSETS		606,367	751,536
FUNDS			
Restricted income funds	10	206,703	391,170
Unrestricted income funds	11	399,664	360,366
TOTAL FUNDS		606,367	751,536

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the members of the committee on the 16 September 2009 and are signed on their behalf by:

.....
DR VINOD KAPASHI

.....
MR KIRIT KOTHARY

MAHAVIR FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 1985.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the charity is small.

Donations

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

The voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities and recognised in the year they are pledged.

Donated services are included at the value to the charity where this can be quantified.

The value of the services provided by the volunteers has not been included in the accounts as no monetary value can be assigned.

Subscriptions for life membership policy

Life membership subscriptions are accounted for on a cash receipt basis.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements if there are any.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for particular purposes.

MAHAVIR FOUNDATION LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES *(continued)*

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure included any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

Costs of generating funds comprise the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Fixed assets

All fixed assets are initially recorded at cost.

2. VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Donations				
General Fund Collection	15,295	–	15,295	22,360
Paryushan Celebrations	17,957	–	17,957	26,844
General Donations	10,065	–	10,065	6,771
Timber Derasar project	–	(193,379)	(193,379)	–
Income Tax Recoverable	7,775	–	7,775	8,600
Subscriptions	230	–	230	666
Other income				
Audit Service Donated	2,000	–	2,000	2,000
	<u>53,322</u>	<u>(193,379)</u>	<u>(140,057)</u>	<u>67,241</u>

The Timber Derasar project represents the entitlement of donors to a refund of their donations as explained in the Report of the Executive Committee under 'Derasar Project'.

3. INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Bank interest receivable	2,936	8,912	11,848	12,253
	<u>2,936</u>	<u>8,912</u>	<u>11,848</u>	<u>12,253</u>

MAHAVIR FOUNDATION LTD**NOTES TO THE FINANCIAL STATEMENTS****YEAR ENDED 31 DECEMBER 2008****4. GOVERNANCE COSTS**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2008 £	Total Funds 2007 £
Salaries and wages	8,278	–	8,278	8,297
Premises costs	4,494	–	4,494	4,237
Audit fee	2,000	–	2,000	2,000
Legal fees	–	–	–	8,577
General Expenses	1,853	–	1,853	2,858
Public liability insurance	335	–	335	1,587
	<u>16,960</u>	<u>–</u>	<u>16,960</u>	<u>27,556</u>

5. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2008 £	2007 £
Auditors' fees	<u>2,000</u>	<u>2,000</u>

6. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2008 £	2007 £
Wages and salaries	8,278	8,297
Social security costs	–	–
	<u>8,278</u>	<u>8,297</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2008 No	2007 No
Number of part time Caretakers	<u>1</u>	<u>1</u>

No employee received emoluments of more than £60,000 during the year (2007 - Nil).

MAHAVIR FOUNDATION LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

7. TANGIBLE FIXED ASSETS

	Freehold property £	Equipment £	Total £
COST			
At 1 January 2008 and 31 December 2008	<u>508,710</u>	<u>4,193</u>	<u>512,903</u>
DEPRECIATION			
At 1 January 2008 and 31 December 2008	<u>–</u>	<u>4,193</u>	<u>4,193</u>
NET BOOK VALUE			
At 31 December 2008	<u>508,710</u>	<u>–</u>	<u>508,710</u>
At 31 December 2007	<u>508,710</u>	<u>–</u>	<u>508,710</u>

Impairment Review

The freehold property represents the land for the Timber Derasar project. At the date of approval of these financial statements the Foundation has accepted an offer to sell the property for £500,000, subject to contract. Hence, in the opinion of the executive committee no impairment provision is required.

8. DEBTORS

	2008 £	2007 £
Income tax recoverable	7,775	8,600
Other debtors	-	933
Prepayments	458	1,191
	<u>8,233</u>	<u>10,724</u>

9. CREDITORS: Amounts falling due within one year

	2008 £	2007 £
Trade creditors	8,323	
Other creditors	195,368	1,069
Accruals	-	3,253
	<u>203,691</u>	<u>4,322</u>

Other creditors above include £193,379 representing the donations received and related tax, if any, for the Timber Derasar Project. The project did not proceed as explained under Derasar Project in the Executive Committee Report. Accordingly, the amount has been transferred from restricted fund to creditors as the donors are entitled to a refund of their donations. Further explanation of this is set out in the Report of the Executive Committee under 'Derasar Project'.

MAHAVIR FOUNDATION LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2008

10. RESTRICTED INCOME FUNDS

	Balance at 1 Jan 2008 £	Incoming resources £	Outgoing resources £	Balance at 31 Dec 2008 £
Derasar Fund	391,131	8,912	(193,379)	206,664
Gujarat Earthquake Fund	39	–	–	39
	<u>391,170</u>	<u>8,912</u>	<u>(193,379)</u>	<u>206,703</u>

Derasar Fund: This comprises donations raised for specific religious purposes of constructing a Jain Temple and the Timber Derasar project less the amount transferred to creditors as stated in note 9 above.

Gujarat Earthquake Relief Fund: This comprises donations received for the specific purpose of providing assistance to the victims of the Gujarat Earthquake in 2001 less the donations already made for that purpose.

11. UNRESTRICTED INCOME FUNDS

	Balance at 1 Jan 2008 £	Incoming resources £	Outgoing resources £	Balance at 31 Dec 2008 £
General Funds	<u>360,366</u>	<u>64,526</u>	<u>(25,228)</u>	<u>399,664</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Net current assets £	Total £
Restricted Income Funds:			
Derasar Fund	206,664	-	206,664
Gujarat Earthquake Fund	–	39	39
	<u>206,664</u>	<u>39</u>	<u>206,703</u>
Unrestricted Income Funds	<u>220,120</u>	<u>179,544</u>	<u>399,664</u>
Total Funds	<u>426,784</u>	<u>179,583</u>	<u>606,367</u>

13. RELATED PARTY TRANSACTIONS

The company has entered into a lease agreement with Dr V Kapashi in respect of the property at 557 Kenton Road, Kenton, Harrow, Middlesex. The annual rent payable is £10. The rent of £10 for the current year was paid and this amount was donated back to the Foundation.

MAHAVIR FOUNDATION LTD
MANAGEMENT INFORMATION
YEAR ENDED 31 DECEMBER 2008

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 9 to 10.

MAHAVIR FOUNDATION LTD**DETAILED STATEMENT OF FINANCIAL ACTIVITIES****YEAR ENDED 31 DECEMBER 2008**

	2008	2007
	£	£
INCOMING RESOURCES		
VOLUNTARY INCOME		
General fund collection	15,295	22,360
Paryushan celebrations	17,957	26,844
General donations	10,065	6,771
Timber Derasar project	(193,379)	-
Income tax recoverable	7,775	8,600
Life memberships	100	606
Annual memberships	130	60
Audit service donated	2,000	2,000
	<u>(140,057)</u>	<u>67,241</u>
INVESTMENT INCOME		
Bank interest receivable	2,936	1,556
Bank interest receivable on restricted funds	8,912	10,697
	<u>11,848</u>	<u>12,253</u>
TOTAL (OUTGOING)/INCOMING RESOURCES	<u>(128,209)</u>	<u>65,282</u>
RESOURCES EXPENDED		
GOVERNANCE COSTS		
Salaries and wages	8,278	8,297
Premises costs	4,494	4,237
Audit fees	2,000	2,000
Legal fees	-	8,577
General expenses	1,853	2,858
Public liability insurance	335	1,587
	<u>16,960</u>	<u>27,556</u>
TOTAL RESOURCES EXPENDED	<u>16,960</u>	<u>27,556</u>
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR	<u>(145,169)</u>	<u>51,938</u>