

# 2019 ANNUAL REPORT



DEEPAVALI CHARITABLE TRUST



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**"ACT AS IF WHAT YOU DO MAKES A DIFFERENCE... IT DOES!"**  
William James

# TRUSTEE'S REPORT

Tēnā koe.

The Trustees are delighted to present the 2019 Performance Report for the Deepavali Charitable Trust.

The work of the Trust and its team continues to make great strides in changing the lives for tens of thousands of people, across the poorest regions in rural India, by delivering desperately needed healthcare and educational reforms and programmes to the people who need it most.

## DONATIONS

We are extremely grateful to our Donors who contributed approximately \$790,000, for the current year. Whilst this may not have improved upon last years' target, we appreciate everyone's consideration and ongoing support. Because of your donations, we are providing humanitarian support to ease the plight of thousands of disadvantaged people every day.

We manage this Trust with the utmost diligence and foresight, ensuring the effectiveness and efficiency our actions.

This is a significant achievement, which reflects the benefits of the Trustees' focus on creating a highly efficient, low-cost operating model. We are tremendously proud to confirm that more than 99% of all funds received are directed to the causes supported – the administration of the Trust incurs almost no cost.

## ACTIVITIES FUNDED

The Trust continues to support a growing number of hospitals in Uttar Pradesh, as well as the Jagadguru Kripalu Parishat (JKP) education joint venture.



**"MAKE YOUR LIFE A MASTERPIECE, IMAGINE NO LIMITATIONS ON WHAT YOU HAVE, BE OR DO".**  
Brian Tracy



## KEY STATISTICS

An average of 43,859 patients access Trust-funded healthcare services at hospitals throughout the region each month. This figure has improved by around 10% from the previous financial year, a trend we are happy to see as more people gain access to better healthcare and medicine.

The Trust's education programme continues to deliver free education from primary through to university, and vocational industrial training, for girls. As at 31 March 2019, the school roll numbered 4,474.

## TRANSPARENCY

To ensure the Trust is run with absolute transparency, external auditor PricewaterhouseCoopers has completed an audit of the Trust's financial statements.

## SUMMARY

The Deepavali Charitable Trust is committed to bringing real, positive change, through education and health services, to those in desperate need in rural Uttar Pradesh. Through our partnerships with local people, we can identify where the needs are, how best to serve and support the community, and deliver a highly efficient outcome for our projects and initiatives.

Without the donations of our generous benefactors, and the tireless efforts of our Trustees and volunteers, we would not be able to make such a significant, life-changing impact.

We are eternally grateful for every individual who has contributed time or money to this worthy cause.

He aha te mea nui o te ao?  
What is the most important thing in the world?

He tāngata, he tāngata, he tāngata  
It is the people, it is the people, it is the people.

Prasann Patel  
Trustee

## ▶ OUR WORK IN THE COMMUNITY



### PAITENTS

43,859 PAITENTS  
EACH MONTH



### HELPING THE POOR

Throughout the year, in addition to monetary assistance to the poor, underprivileged and the disadvantaged, distribution programs are organised such as blanket distribution, free meals and distribution of items required for daily living.



### GIFT OF SIGHT

Transforming peoples life by performing cataract operations daily at no cost.



2019 4,474  
Girls Educated

2018 4,453  
Girls Educated



## Independent auditor's report

To the Trustees of Deepavali Charitable Trust

We have audited the performance report which comprises:

- the entity information;
- the statement of service performance;
- the statement of financial performance for the year ended 31 March 2019;
- the statement of financial position as at 31 March 2019;
- the statement of cash flows for the year then ended;
- the statement of accounting policies; and
- the notes to the financial statements.

### Our opinion

In our opinion:

- a) the performance report of Deepavali Charitable Trust (the "Trust") on pages 9 to 18 present fairly, in all material respects, the entity information and the financial position of the Trust as at 31 March 2019, and its service performance, financial performance and cash flows for the year ended on that date in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit); and
- b) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable.

### Basis for opinion

We conducted our audit of the statement of financial position, the statement of financial performance, the statement of cash flows, the statement of accounting policies and the related notes to the performance report and other explanatory information in accordance with International Standards on Auditing (New Zealand) (ISAs NZ). The audit of the entity information and the statement of service performance was conducted in accordance with International Standard on Assurance Engagements (New Zealand) 3000 (Revised) (ISAE (NZ) 3000).

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the performance report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Trust in accordance with Professional and Ethical Standard 1 (Revised) *Code of Ethics for Assurance Practitioners* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust.



### Information other than the performance report and auditor's report

The Trustees are responsible for the annual report. Our opinion on the performance report does not cover the other information included in the annual report and we do not express any form of assurance conclusion on the other information.

In connection with our audit of the performance report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Trustees for the performance report

The Trustees are responsible, on behalf of the Trust, for the preparation and fair presentation of the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit), and for such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the performance report

Our objectives are to obtain reasonable assurance about whether the performance report, as a whole, is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) or ISAE (NZ) 3000 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance report, including performing procedures to obtain evidence about and evaluating whether the reported outcomes and outputs and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

A further description of our responsibilities for the audit of the performance report is located at the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>

This description forms part of our auditor's report.

### Who we report to

This report is made solely to the Trustees of the Trust, as a body. Our audit work has been undertaken so that we might state those matters which we are required to state in an auditors' 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 Trustees of the Trust, as a body, for our audit work, for this report or for the opinions we have formed.



The engagement partner on the audit resulting in this independent auditor's report is Samuel Shuttleworth

For and on behalf of:

Chartered Accountants  
12 June 2019

Auckland

**LEGAL NAME OF ENTITY:** DEEPAVALI CHARITABLE TRUST

Type of Entity and Legal Basis: REGISTERED CHARITABLE TRUST

Registration Number: CC40457

**ENTITY'S PURPOSE OR MISSION:**

**Our Mission**

Deepavali partners with charitable institutions in impoverished parts of India and across Asia to improve access to medicines, hospital care and education. We deploy resources where they can address both an immediate need and provide a platform for longer-term positive change.

**Our Vision**

We have developed a highly efficient funding model, which ensures that maximum funds and resources reach the people who need it most. In partnership with local institutions, we provide education and hospital services to those in dire need of help and we have seen immediate and sustained positive societal and health changes;

- Relief from poverty, hunger, or the ravages of war and natural disasters
- Reduced sickness and suffering through improved access to medical care
- Higher standards of education to create opportunity and break the poverty cycle

**Our Dedication**

Deepavali's focus has been on providing free medical care and education, to those below the poverty line in the Indian state of Uttar Pradesh (approx. 160 million people). Without the tireless efforts of the Deepavali team and our partners these impoverished people would otherwise not have access to such essential services. We understand that every dollar deployed has the potential to profoundly impact and positively change the lives of individuals, families and communities.

**Charitable Hospitals:**

In the beginning our mission was to treat 10,000 patients per month. Today we are treating a wider range of conditions and illnesses to over 40,000 patients per month, now across three hospitals. We achieve our goal of delivering 100% free of charge hospital care, together with our partnership with local charitable institutions.

Access to healthcare should be a basic Human Right, but sadly healthcare is not readily accessible for many of the people in Uttar Pradesh. Through our funding, we provide a range of healthcare services and treatments that are aimed at being both preventative and reactive. Our grass roots approach ensures we deliver services relevant to local community needs:

- \* Women's Health & Gynaecological Issues, particularly those associated with traditional village birth.
- \* Common diseases in the region including typhoid, dysentery and malaria.
- \* Viral outbreaks, such as respiratory tract infections.
- \* Treatment of injuries, cuts and bacterial infections from bites, rusted tools and unsanitary conditions
- \* Burns of varying degrees sustained when cooking using local methods.

Without our health services, underprivileged men, women and children would die or suffer needlessly.

**Free Education:**

We believe that access to education for all should be another basic human right. Sadly, the reality for millions of children and especially girls in the state of Uttar Pradesh see them being denied from their education and forced into menial farm labour or domestic servitude. Regrettably, the practice of taking a child bride is still practiced. Our mission is to help provide for a better future for these children. Through our funding projects we are providing 100% free-of-charge education for girls, spanning kindergarten, primary, secondary and tertiary education.



▶ **ENTITY  
INFORMATION**

Education is a cornerstone to the development of any society and its long-term growth. Our focus on girls' education is predicated on the belief that these young girls, as future mothers and leaders, need to be empowered and protected as they are pivotal to transforming their communities and breaking the poverty cycle. Currently we are providing approximately 4,500 girls with an education. We're helping each of them to gain the knowledge, skills and abilities to achieve economic independence and provide a better life for themselves and their families. In doing so, they are also supporting the collective advancement of their community.

Our healthcare and education projects have already made tangible, positive impacts on the individuals, families and communities we serve. Whilst we are tremendously proud of the work and investments that we have been able to deliver thus far, we recognise that this is merely the beginning of the journey and we welcome you aboard, so that we can bring real change to millions of people.

#### ENTITY STRUCTURE:

##### Trust Structure

Our Trust Deed mandates that we must have between three and five Trustees. We currently have three Trustees that constitute our governance board.

##### Operational Structure

Deepavali's operations are managed by a team of two unpaid volunteers who are supported by many other unpaid volunteers throughout the year. Absolutely nobody is paid for the day to day running and administration of the Trust, maximising the funds available for those most in need.

##### Delivery of Humanitarian Service

Deepavali has carefully selected a number of reputable partners in India to deploy our humanitarian services. One such partner is the Indian based charity Jagadguru Kripalu Parishat ("JKP"), which has an extensive logistical and professional doctors' network which allows Deepavali to achieve our vision effectively and efficiently. JKP continues to be an instrumental partner across both our education and health related services.

##### Main Sources of the Entity's Cash and Resources

Deepavali funds its activities from donations received from the New Zealand public, mainly individuals, and some private companies. Our ability to generate support from large-scale donors remains crucial to maintaining the current scale of our charitable work. New sources of corporate donations will be a particular focus for Deepavali over the next few years.

##### Main Methods Used by the Entity to Raise Funds:

"Our primary active fundraising is targeted one-on-one presentations to potential donors. It is important to our donors that we make the most efficient use of funds available and therefore we do not use any third-party organisations for fundraising due to their typically high fee structures.

Deepavali is a highly attractive charity for our donors because of our exemplary operating efficiencies and full operational transparency.

Operating Efficiency. No Administrative and management overheads.

All in-house doctors, nurses, administrators, support staff are volunteers who want to make a difference to communities and individuals we serve. We do pay for some external professional staff where there are shortages in our volunteer pool, like teachers and specialist doctors, but these professionals are directly delivering service to the underprivileged. In other words, a donor receives the best return for their donations when contributing to our charities.

Operating Transparency. We're open to visitors and Audit.

Whether you're contemplating donating or an existing donor, you are always welcome to come visit and spend time in our facilities. We encourage and actively support donors who wish to visit our facilities, to see for themselves how their funds are going directly to serve the underprivileged.

##### Entity's Reliance on Volunteers and Donated Goods or Services

Deepavali Charitable Trust is fully staffed by volunteers. No Trustee or administration staff are paid or remunerated in any way.

#### Additional Information:

##### Contact details

Physical Address:

Suite 12 / 160 Broadway, Newmarket, Auckland 1023, New Zealand

Postal Address:

PO Box 9221, Newmarket, Auckland 1149, New Zealand

Phone:

+64 9 522 2953

Email/Website:

www.deepavali.org.nz

Email Administration Volunteer:

prasann@jrpglobal.com



## Statement of Service Performance

As at 31 March 2019

### Description of the Entity's Outcomes:

We believe access to education and healthcare is a basic human right. Our highly efficient funding model and local partnerships provide education and hospital services which achieve immediate and sustainable positive societal and health outcomes;

- Relieve from poverty, hunger, or the ravages of war or natural disaster
- Reduced sickness and suffering through improved access to medical care
- Higher standards of education to create opportunity and break the poverty cycle

	This Year	Last Year
Number of Patients Hospital #1 - Vrindavan, Uttar Pradesh, India (Monthly Average for the period Jan 19 to Mar 19)	14,988	15,100
Number of Patients Hospital #2 - Mangarh, Uttar Pradesh, India (Monthly Average for the period Jan 19 to Mar 19)	16,913	16,452
Number of Patients Hospital #3 - Barsana, Uttar Pradesh, India (Monthly Average for the period Jan 19 to Mar 19)	11,958	8,048
Number of Enrolled Students (As at 31 Mar 19)	4,474	4,453



### HOSPITAL LOCATIONS



Barsana



Mangarh



Vrindavan

## Statement of Financial Performance

Year ended 31 March 2019

	Note	This Year	Last Year
<b>Revenue</b>			
Donations, fundraising and other similar revenue	1	790,698	791,394
<b>Total Revenue</b>		<b>790,698</b>	<b>791,394</b>
<b>Expenses</b>			
Grants and donations made	2	846,000	479,000
Other expenses	2	1,792	1,685
<b>Total Expenses</b>		<b>847,792</b>	<b>480,685</b>
<b>Surplus/(Deficit) for the Year</b>		<b>(57,094)</b>	<b>310,709</b>

### VISITOR RECOUNT

#### OBJECTIVE

To see first-hand how donated funds are used and partake in the activities of one of the recipient organisations of Deepavali Trust and witness the difference in the lives of the people of Uttar Pradesh.

I feel privileged to regularly visit India to witness and be given the opportunity to partake in the charitable works of the Deepavali Charitable Trust. India has always fascinated me, its amazingly rich culture and diverse people from many different societies and backgrounds.

The contrasts are prevalent between the elite and the poor, struggling to have the basic necessities of life.

My husband and I spent the majority of our time during this trip, visiting a small village in Barsana in the state of Uttar Pradesh.

Deepavali's partner, JKP Charitable trust is well renowned in UP as a remarkable organisation providing free health care, free schooling and regular distributions to the local villages which helps alleviate poverty, hardship and suffering of the poor in this state.

Heather Woodard  
Financial Crime Investigator, ASB Bank.



## Statement of Financial Position

As at 31 March 2019

	Note	This Year	Last Year
<b>Assets</b>			
<b>Current Assets</b>			
Bank accounts and cash	3	277,701	334,795
<b>Total Current Assets</b>		<b>277,701</b>	<b>334,795</b>
<b>Total Assets</b>		<b>277,701</b>	<b>334,795</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Other current liabilities		-	-
<b>Total Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Total Liabilities</b>		<b>-</b>	<b>-</b>
<b>Net Assets</b>		<b>277,701</b>	<b>334,795</b>
<b>Accumulated Funds</b>			
Capital contributed by owners or members		100	100
Accumulated surpluses		277,601	334,695
<b>Total Accumulated Funds</b>		<b>277,701</b>	<b>334,795</b>

The Trustees authorised these financial statements for issue on 12 June, 2019.

Trustee



Date: 12/06/19

Trustee

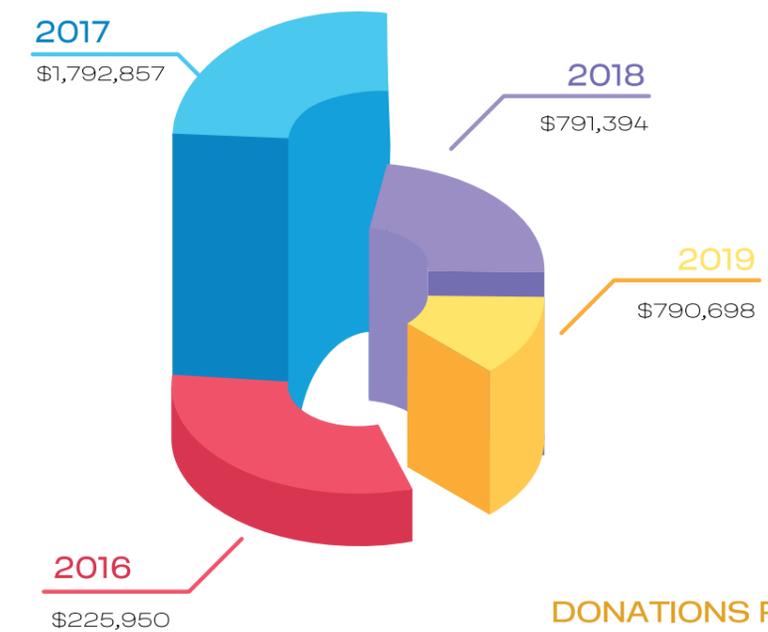


Date: 12/06/19

## Statement of Cash Flow

Year ended 31 March 2019

	This Year	Last Year
<b>Cash Flows from Operating Activities</b>		
<b>Cash was received from:</b>		
Donations, fundraising and other similar receipts	790,698	791,394
<b>Cash was applied to:</b>		
Payments to suppliers and employees	1,792	1,685
Donations or grants paid	846,000	479,000
<b>Net Cash Flows from Operating Activities</b>	<b>(57,094)</b>	<b>310,709</b>
<b>Net (Decrease) / Increase in Cash</b>	<b>(57,094)</b>	<b>310,709</b>
Opening Cash	334,795	24,086
Closing Cash	277,701	334,795
<b>This is represented by:</b>		
Bank Accounts and Cash	277,701	334,795



# Statement of Accounting Policies

Year ended 31 March 2019

## Basis of Preparation

Deepavali Charitable Trust (the "Trust") has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the statement of financial performance are reported using the accrual basis of accounting. The financial statements are prepared under the assumption that the Trust will continue to operate in the foreseeable future.

## Goods and Services Tax (GST)

The Trust is not registered for GST. Therefore amounts recorded in the statement of financial performance are inclusive of GST (if any).

## Income Tax

The Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

## Bank Accounts and Cash

Bank accounts and cash in the statement of cash flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

## Donations and Grants

The Trustees have elected to apply the Tier 3 reporting standards as specified by the Charities Service and the External Reporting Board. Revenue for donations and grants are recognised once the Trust receives cash. There are no restrictions or conditions noted for the donations received during the year.

## Changes in Accounting Policies

There have been no changes in accounting policies during the financial year.

## VISITOR RECOUNT

### OBJECTIVE

To visit in person and personally witness some of the recipient organisations of Deepavali Trust utilising funds donated to it.



Deepavali's Partner, Jagadguru Kripalu Parishat is well known in Uttar Pradesh (UP) as a large charitable organisation that alleviates poverty, hardship and suffering of the poor in this state. It was a privileged to witness this remarkable organisation bring health, hope and education to the local Villagers by giving them the very necessities of life that I take for granted as a New Zealander.

As part of this trip I had the opportunity to visit all three charitable hospitals in which JKP provides free medical care. This includes diagnostics and medications to patients from poverty-stricken areas in and around the villages of Vrindavan, Barasna and Mangarh all located in the state of Uttar Pradesh (UP).

As well as providing general medical services the hospitals also have emergency departments, ambulances and hold regular Cataract Surgical Workshops, Blood Camps and Free Heart Check-ups. Free dental care is also provided. The hospitals play a key role in the health and well-being of the communities.

Radhe Krishna Nand  
Barrister and Solicitor, High Court of New Zealand.

# Notes to the Financial Statements

Year ended 31 March 2019

	This Year	Last Year
<b>Note #1: Analysis</b>		
<b>Revenue item</b>		
Donations and other similar revenue		
Donations/koha from the public	790,698	791,394
<b>Total</b>	<b>790,698</b>	<b>791,394</b>
<b>Note #2: Analysis</b>		
Grants and donations made		
JAGADGURU KRIPALU PARISHAT SHYAMA SHYAMA DHAM	-	-
JAGADGURU KRIPALU PARISHAT BHAKTI DHAM	846,000	479,000
<b>Total</b>	<b>846,000</b>	<b>479,000</b>
<b>Other expenses</b>		
Bank Charges	206	134
Marketing & Advertising Expenses	1,586	1,551
<b>Total</b>	<b>1,792</b>	<b>1,685</b>
<b>Note #3: Analysis of Assets and Liabilities</b>		
<b>Bank accounts and cash</b>		
Cash Floats	100	100
Cheque account balance	277,601	334,695
<b>Total</b>	<b>277,701</b>	<b>334,795</b>

# Notes to the Financial Statements

Year ended 31 March 2019

	Capital Contributed by Owners or Members	Accumulated Surpluses	Total
<b>Note #4: Accumulated Funds.</b>			
<b>This Year 2019</b>			
<b>Opening Balance</b>	<b>100</b>	<b>334,695</b>	<b>334,795</b>
Capital contributed by owners or members	-	-	-
Capital returned to owners or members	-	-	-
Surplus/(Deficit)	-	(57,094)	(57,094)
<b>Closing Balance</b>	<b>100</b>	<b>277,601</b>	<b>277,701</b>
<b>Last Year 2018</b>			
<b>Opening Balance</b>	<b>100</b>	<b>23,986</b>	<b>24,086</b>
Capital contributed by owners or members	-	-	-
Capital returned to owners or members	-	-	-
Surplus/(Deficit)	-	310,709	310,709
<b>Closing Balance</b>	<b>100</b>	<b>334,695</b>	<b>334,795</b>

## Note 5 : Commitments and Contingencies

### Commitments

There are no material commitments as at balance date (2018 - None ).

### Contingent Liabilities and Guarantees

There are no material contingent liabilities or guarantees as at balance date (2018 - None ).

## Note 6: Other

### Significant Grants and Donations with Conditions which have not been Recorded as a Liability

NIL

### Goods or Services Provided to the Entity in Kind

NIL

### Assets Used as Security for Liabilities

NIL

## Note 7: Assets Held on Behalf of Others

Description of the Assets Held. Name of Entity of Whose Behalf Assets are Held

NIL

## Note 8: Related Party Disclosures

There were no transactions involving related parties during the financial year (2018 - None).

## Note 9: Events After the Balance Date

On 24 May 2019, the Trust made a donation of \$290,000 to Jagadguru Kripalu Parishat - Bhakti Dham (Hospital Fund). There were no other events that have occurred after the balance date that would have a material impact on the operations, or result of those operations, or state of affairs of the Trust.

## Note 10: Ability to Continue Operating

Not Applicable.

## Note 11: Correction of Errors

NIL



Monthly average for the period Jan - March 2019

2019 **43,859**  
Hospital Patients per month

2018 **39,600**  
Hospital Patients per month

Doctor N.N.Khanna - One of India's leading cardiologists volunteering at one of Deepavali funded hospitals. Dr Khanna spends many weeks each year seeing under privileged patients.





**If you are the luckiest 1% of humanity,  
you owe it to the rest of humanity to  
think about the other 99%...  
Warren Buffet**