

Euro Charity Trust

Annual Report and Financial Statements

For the year ended 31 December 2022



Contents

	Page
Trustees' report	1-5
Trustees' responsibilities statement	6
Independent auditor's report	7-9
Statement of financial activities	10
Balance sheet	11
Cash flow statement	12
Notes to the financial statements	13-17

Trustees' report*For the year ended 31 December 2022***Introduction**

This is the 2022 annual report of the trustees of the Euro Charity Trust (ECT). It is presented together with a trustees' responsibilities statement on page 6, the independent auditor's report on pages 7 to 9 and the ECT financial statements for the year ended 31 December 2022 on pages 10 to 17.

The ECT financial statements for the year ended 31 December 2022 have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP) 2016, and applicable UK accounting standards FRS 102.

The trustees' annual report complies with the requirements of 2016 Charities' SORP, and in addition the Charity Commission's Public Benefit Reporting Requirements and the Charities Act 2011.

The Board of Trustees are satisfied with the performance of ECT during the year and the position at 31 December 2022. The Board consider that ECT is in a strong position to continue its activities during the coming year, and that the ECT's assets are adequate to fulfil its obligations.

Who we are**Name of organisation**

Full name: Euro Charity Trust

Acronym: ECT

Charity number

1058460

Governance***Decision making***

In 2022, all substantive decisions were made by the trustees. The trustees do not consider there to be any key management personnel.

Trust deed

ECT is an unincorporated trust, constituted under a trust deed dated 1 July 1996.

Trustees in the reporting period and at the time of report sign-off

Mr Abdul S Malik

Dr Ahmed Jamal Nasir Awan MBE DL

Mr Abdul Rashid Ibrahim Geloo

Staffing

In 2022, the trustees received support from, and much work was done by, the following:

Mr Ikram Ahmed

Mrs Leela Jackson

Mr Subeer Elmi

Source of income

ECT does not undertake any fundraising activity or solicit donations. ECT is a donation-based Trust receiving all its income from various companies, and does not hold fixed investments. ECT reserves generate relatively insignificant investment income. As ECT does not undertake any fundraising activity, it is not registered with the Fundraising Regulator and does not subscribe to any codes of practise relating to fundraising. The Trustees are not aware of it having failed to comply with any fundraising standards and it has not received any complaints relating to its funds. ECT does not make any approaches to vulnerable people in respect of any fundraising matters and does not use professional fundraisers or involve commercial participators.

Trustees' report

For the year ended 31 December 2022

Registered office and professional advisers

Registered office

20 Brickfield Road
Birmingham
B25 8HE

Bankers

HSBC Bank PLC
PO Box 360
100 King Street
Manchester
M60 2HD

Solicitors

The Wilkes Partnership
41 Church Street
Birmingham
B3 2RT

Auditor

Cowgill Holloway LLP
Statutory Auditor
Regency House,
45-53 Chorley New Road,
Bolton,
BL1 4QR

What we stand for

Objectives

ECT objectives are:

- (a) The relief of poverty;
- (b) The relief of the elderly, the vulnerable (such as young children or anyone with special needs or hardship, including orphans and widows);
- (c) The provision of basic necessities and amenities to those in need wheresoever such as water, electricity and medical facilities;
- (d) The advancement of education; and
- (e) To assist in any purpose which would be considered to be charitable by the Charity Commissioners which the Trustees may from time to time decide that may warrant assistance.

Mission

ECT's vision is to assist the underprivileged to improve their lives, in turn, can assist their families and communities and live a healthy and dignified way of life.

Values

Our principal objective is to provide assistance and support to underprivileged people and communities. In doing so, ECT will:

- communicate respectfully and diligently with institutions and individuals;
- abide by the laws and customs of the communities with which we are working;
- show compassion and due consideration for the difficulties that people may be facing;
- place special emphasis on locations which are difficult to reach and overlooked by most service providers;
- act with sincerity, truthfulness and openness;
- work to ensure that the highest moral and social values are achieved; and
- be independent when taking decisions in the best interests of the people we aim to support and work with.

Trustees' report*For the year ended 31 December 2022***Public benefit statement**

ECT provides donations to support under-privileged individuals and communities. When setting its objectives and planning its donations, ECT gives due careful consideration to the Charity Commission's general guidance on public benefit. The Trustees also ensure that the programmes we undertake are in line with our charitable objects and aims.

What we do, how we do it and how we will strengthen it

ECT's activities can be summarised as including the following:

1. Grants
2. Education Support for deserving students
3. Loans to Educational and Religious establishments

1. ECT's grants

ECT does not undertake direct project implementation. ECT makes grants in the form of donations primarily to non-governmental organisations (NGOs) who work to further objectives and undertake activities which are in line with those of ECT. ECT works in partnership with a range of UK based and global NGOs who have expertise in the fields of education, medicine and development.

Selection of partners and projects

ECT's Trustees review incoming requests on a case-by-case basis, using their knowledge of the requesting organisations and ECT's objectives and values as the bases for assessment.

Monitoring and evaluation

ECT provides grants on the condition that progress and end-of-project reports are submitted on a (generally pre-set) timely basis. In addition ECT's Trustees and volunteers conduct verification visits to verify that the utilisation of funds and the impact of programmes has worked well. Furthermore, and in relation to the distribution of small grants to charitable institutions, ECT relies on Imdadul Muslimeen's substantial knowledge and experience of dealing with hundreds of charitable organisations all over South Asia and beyond.

Support in 2022

ECT's foremost aim as a charity is to support human kind and one of its major focus countries has been India. ECT first became involved in India from 1996 onwards and resolved to increase its support in India following the publication of the Sachar committee report in 2006. The report revealed the condition of India's minority communities and followed by many other reports, the state of India's minority still remains the same and in some instances has worsened with an increase in population and rise in illiteracy, child labour, nutrition and dietary issues leading to disease and deaths, poor living / housing conditions, unemployment, hygiene and sanitation, feminisation of poverty and social tensions.

Similarly in Malawi being amongst the world's least-developed countries and completely reliant on overseas aid, ECT has many intervention programmes focusing on education and health. ECT supports a network of schools and health projects in Malawi.

The following table includes ECT's main areas of donation during the course of 2022:

Trustees' report*For the year ended 31 December 2022*

	Grants to institutions £	Grant to individuals £	Total 2022 £
Construction of education/training and religious establishments	100,000	-	100,000
Education and sponsorship	231,408	49,490	280,898
Medical provision	40,000	2,293	42,293
Welfare including the provision of food, water, clothing and healthcare	2,082,254	-	2,082,254
	<u>2,453,662</u>	<u>51,783</u>	<u>2,505,445</u>

Long term perspective

The trustees are committed to continuing the charity's substantial work in India and carrying out projects in Africa and, in particular, Malawi. The Trustees will consider projects in other countries on a case by case basis. In terms of focus areas, ECT will continue to focus on:

- education;
- providing housing and accommodation for the poor;
- providing health and water facilities; and
- care for orphans and children in need.

In 2023-2024, ECT aims to develop new partnerships in the Balkans as well as other countries to expand its programmes and support remote areas in need

2. Education support for deserved students

One of the ECT charitable objectives is the advancement of education and to assist in any purpose which would be considered to be charitable by the Charity Commission, which the Trustees of ECT may from time to time decide that may be in need of assistance.

In furtherance of the above objectives and in recognising that those from less well-off backgrounds may not have access to funds in order to meet fees and expenses, ECT provides financial assistance to students undertaking a course of study. The principal aim is to widen access to education for those who could not otherwise afford the fees and who demonstrate a potential to benefit from the education provided.

ECT assists individual students in enabling them to enhance their education and to encourage students to continue the development of skills, knowledge and ability in order to further their career development which will in turn help them find a job. ECT assists with primary and secondary schooling and University education up to the end of the academic year in which a student takes GCSE, A levels or a degree/equivalent.

3. Loans for educational and religious establishments

The Trustees of ECT recognise that there is a need for religious institutions and therefore provides financial assistance for establishing places of worship.

In the UK and abroad, the support is usually in the form of a grant or loan. At the start of 2022, a total sum of £198,169 (2021: £683,439) was outstanding from 4 different organisations in the United Kingdom. During the year, £161,428 (2021: £485,270) has been re-paid, new loans of £37,522 (2021: £Nil) were issued and £2,741 (2021: £11,337) was written off in the form of a donation. At the year end the final amount outstanding from 3 different organisations in the United Kingdom, was £71,522 (2021: £198,169).

Trustees' report*For the year ended 31 December 2022***Risks, uncertainties and risk management and mitigation**

The ECT trustees periodically assess the organisation's risks. In 2022, the trustees identified the following continuing risks that will require ongoing attention:

Risk	Risk management and mitigation plan
ECT's ability to reach deserving areas and establish new partnerships	a) Establish meetings with potential UK-based and global NGOs UK Trustees and/or to visit overseas projects b) Visits to Balkans and other countries

Financial review

For the year ended 31 December 2022, there was a surplus of £1,997,303 (2021: surplus £1,273,193). As at 31 December 2022, total income was £4,559,627 (2021: £3,724,485) and the balance carried forward, all of which are unrestricted funds as at 31 December 2022, was £7,105,620 (2021: £5,108,317).

The principal funding sources were donations from various companies, and it is intended that for the foreseeable future, subject to receipt of funds, ECT will continue its charitable activities along the lines of its current activities as detailed in this report.

There were no fundraising activities in the year.

Reserves policies

It is the policy of the charity to maximise unrestricted funds, which are the free reserves of the charity, to ensure sufficient funds are available to cover the following:

- donations payable and approved; and
- annual administrative costs.

The board of trustees are satisfied that the charity's assets are available and adequate to fulfil its obligations in respect of the total funds. In 2022 total funds carried forward at the year-end were £7,105,620 (2021: £5,108,317).

Appointment of trustees

Thus far, trustees, other than the originating trustees, have been appointed on the basis of a long-standing knowledge, shared by the existing trustees, of the appointee in relation to their integrity and probity and proven record in their chosen professional career. It is expected that the policy attaching to appointments will continue in that vein. The background of each appointee, all of whom have significant charity Trustee experience with other charities, is such that formal training was not required on appointment.

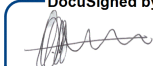
At any one time in the past there have been at least three trustees. A new trustee is appointed by a resolution of the trustees passed at a special meeting, which can be called at any time by the chairman or any two trustees, with not less than 21 days notice being given to the other trustees.

Going concern

After making enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1 "Accounting Policies" in the financial statements.

Approved by the trustees and signed on their behalf by:

DocuSigned by:


Dr Amir Farhan Nasir Awan, MBE DL
Trustee of Euro Charity Trust

Date:

Euro Charity Trust

Trustees' responsibilities statement

For the year ended 31 December 2022

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources 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;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Euro Charity Trust

Independent auditor's report to the trustees of Euro Charity Trust

Opinion

We have audited the financial statements of Euro Charity Trust (the 'charity') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, set out on pages 1 to 5 other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or

Euro Charity Trust

- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 9, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussions with the directors (as required by auditing standards) and discussed with the directors the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the company's license to operate. We identified the following areas as those most likely to have such an effect: laws related to the regulation and operation of charities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Through these procedures we did not become aware of any actual or suspected non-compliance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Euro Charity Trust

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Cowgill Holloway LLP

Statutory Auditor, Chartered Accountants
Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR

Cowgill Holloway LLP is eligible to act as an auditor by virtue of its eligibility for appointment as an auditor of a company under section 1212 of the Companies Act 2006

Date:

Euro Charity Trust

Statement of financial activities incorporating an income and expenditure account

For the year ended 31 December 2022

	Note	All unrestricted and restricted funds 2022 £	All unrestricted and restricted funds 2021 £
Income			
Donations	3	4,559,627	3,724,485
Total income		4,559,627	3,724,485
Expenditure			
Charitable activities	4	(2,559,583)	(2,443,292)
Loss on foreign exchange		(2,741)	(8,000)
Net income for the year		1,997,303	1,273,193
Reconciliation of funds			
Total funds brought forward		5,108,317	3,835,124
Net movement in funds for the year		1,997,303	1,273,193
Total funds carried forward		7,105,620	5,108,317

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities and all funds are unrestricted in both current and prior years.

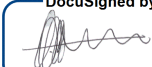
Euro Charity Trust

Balance sheet

At 31 December 2022

	Note	2022 £	2021 £
Current assets			
Debtors	8	78,177	204,824
Cash at bank and in hand		7,035,843	4,907,693
		<u>7,114,020</u>	<u>5,112,517</u>
Current liabilities			
Creditors: amounts falling due within one year	9	(8,400)	(4,200)
		<u>(8,400)</u>	<u>(4,200)</u>
Net assets		<u>7,105,620</u>	<u>5,108,317</u>
Funds			
Unrestricted funds		7,105,620	5,108,317
Total funds		<u>7,105,620</u>	<u>5,108,317</u>

These financial statements of Euro Charity Trust registered number 1058460 were approved by the Board of Trustees and authorised for issue its behalf by:

DocuSigned by:

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Dr Ahmed Jamal Nasir Awan, MBE DL
Trustee of Euro Charity Trust
Date:

Euro Charity Trust

Cash flow statement

For the year ended 31 December 2022

	Note	2022 £	2021 £
Net cash flows from operating activities	11	<u>2,128,150</u>	<u>1,758,464</u>
Net increase in cash and cash equivalents		<u>2,128,150</u>	<u>1,758,463</u>
Cash and cash equivalents at beginning of year		4,907,693	3,149,229
Net increase in cash and cash equivalents		<u>2,128,150</u>	<u>1,758,464</u>
Cash and cash equivalents at the end of the year		<u><u>7,035,843</u></u>	<u><u>4,907,693</u></u>

Cash and cash equivalents are represented by cash at bank and in hand.

Euro Charity Trust

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies

Charitable status

Euro Charity Trust is a public benefit unincorporated entity which currently has three trustees. The charity is a registered charity, its registered office noted on page 2.

Basis of accounting

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice “Accounting and Reporting by Charities (SORP 2015)” applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1 January 2015; and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The principal accounting policies are set out below.

Preparation of financial statements - going concern basis

The charity’s activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees’ Report, which also describes the financial position of the charity including its cash and reserves policy. The charity forecasts and projections, taking account of reasonably possible changes in donations and investment income and other uncertainties, show that the charity should be able to operate with its current level of reserves. The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Income

Income comprises donations and investment income and is recognised when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities relates to donations made to individuals, organisations and institutions in line with the objects of the charity.

Support costs relate to the charity’s charitable activity of providing donations and loans to individuals, organisations and institutions.

Governance costs comprise all costs involving the public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

Fund accounting

All funds are unrestricted.

Euro Charity Trust

Notes to the financial statements (continued)

For the year ended 31 December 2021

1. Accounting policies (continued)

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature no more than three months from the date of acquisition and that are readily convertible to known amounts with insignificant risk of change in value.

Taxation

The charity is regarded as a charity by HMRC and its income is not subject to taxation on its charitable activities.

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Charitable loans

Charitable loans are made to organisations with aims in line with the charity's objectives. The loans, which are interest free, are for capital projects and repayment is expected from income generated by these projects in the future. Provision is made against charitable loans for amounts that have not been received between the balance sheet date and the date that the accounts are signed. All balances included in debtors are therefore measured at their settlement value.

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies which are described in note 1, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant; actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

3. Income

The charity received donations of £4,559,627 (2021: £3,724,485).

Euro Charity Trust

Notes to the financial statements (continued)

For the year ended 31 December 2021

4. Charitable activities

Donations were made to institutions and individuals for the following charitable activities:

	Grants to institutions	Grant to individuals	Support cost	Total 2022	Total 2021
	£	£	£	£	£
Construction of education/training and religious establishments	100,000	-	2,161	102,161	30,267
Education and sponsorship	231,408	49,490	6,069	286,967	594,625
Medical provision	40,000	2,293	914	43,207	1196,652
Welfare including the provision of food, water, clothing and healthcare	2,082,254	-	44,994	2,127,248	1,621,748
	<u>2,453,662</u>	<u>51,783</u>	<u>54,138</u>	<u>2,559,583</u>	<u>2,443,292</u>

All grants approved in the year were paid before the year end and there were no grant creditors carried forward at the balance sheet date (2021: £Nil).

The charity meets its objectives by making donations and loans to individuals and other charitable organisations whose aims match those of the charity. Donations have been made to various individuals, organisations and institutions worldwide.

The Charity makes grants to a number of different partner charities around the world after due consideration and careful assessment of a particular partner. The partner charities are used as to help further the objectives of the charity and carry out specific charitable programmes under our direction. All partner charities are subject to due diligence procedures and regular monitoring and reporting.

Euro Charity Trust

Notes to the financial statements (continued)

For the year ended 31 December 2021

4. Charitable activities (continued)

Support costs have been allocated to expenditure on charitable activities as follows:

2022	Construction £	Education £	Medical £	Welfare £	Other £	Total £
Governance	168	471	71	3,491	-	4,201
Human resources	1,503	4,221	636	31,292	-	37,652
General expenses	490	1,377	207	10,211	-	12,285
	<u>2,161</u>	<u>6,069</u>	<u>914</u>	<u>44,994</u>	<u>-</u>	<u>54,138</u>
	<u><u>2,161</u></u>	<u><u>6,069</u></u>	<u><u>914</u></u>	<u><u>44,994</u></u>	<u><u>-</u></u>	<u><u>54,138</u></u>
2021	Construction £	Education £	Medical £	Welfare £	Other £	Total £
Governance	52	1,022	338	2,788	-	4,200
Human resources	198	3,880	1,283	10,583	-	15,944
General expenses	17	339	112	923	-	1,391
	<u>267</u>	<u>5,241</u>	<u>1,733</u>	<u>14,294</u>	<u>-</u>	<u>21,535</u>
	<u><u>267</u></u>	<u><u>5,241</u></u>	<u><u>1,733</u></u>	<u><u>14,294</u></u>	<u><u>-</u></u>	<u><u>21,535</u></u>

Support costs are allocated across the charity's activities based on the proportion of total grant expenditure within each activity.

5. Auditor's remuneration

Support costs include auditor's remuneration of £4,200 (2021: £4,200). Amounts payable in respect of non-audit services were £Nil (2021: £Nil).

6. Trustees' remuneration and expenses

No remuneration or other benefits or expenses has been paid to the charity's trustees or people connected with them from the charity or any company connected with it in the current or prior year.

7. Employees

The charity had no employees in 2022 (2021: Nil). It was supported by some volunteers and part time consultants. The trustees do not consider there to be any key management personnel other than the trustees. No employees were paid in excess of £60,000.

Euro Charity Trust

Notes to the financial statements (continued)

For the year ended 31 December 2022

8. Debtors

	2022 £	2021 £
Amounts falling due within one year		
Loans	71,522	198,169
Other debtors	6,655	6,655
	<u>78,177</u>	<u>204,824</u>

Loans are loans made for charitable purposes (see Trustee's report note 3).

9. Creditors

	2022 £	2021 £
Amounts falling due within one year		
Trade creditors	4,200	-
Accruals	4,200	4,200
	<u>8,400</u>	<u>4,200</u>

10. Commitments and contingencies

The charity has no commitments that required provision in the financial statements. The charity has not given any guarantees. The charity did not have any contingent liabilities.

11. Net cash flows from operating activities

	2022 £	2021 £
Net income	1,997,303	1,273,193
Decrease in debtors	126,647	485,271
Increase in creditors	4,200	-
Net cash inflow from operating activities	<u>2,128,150</u>	<u>1,758,464</u>