

## **INTERLIT FOUNDATION**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

A Registered Charity Number 1099186

#### **NORMAN COX & ASHBY**

*Chartered Accountants*

Grosvenor Lodge  
72 Grosvenor Road  
Tunbridge Wells  
Kent TN1 2AZ

# **INTERLIT FOUNDATION**

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# **INTERLIT FOUNDATION**

## **REPORT OF THE TRUSTEES**

**FOR THE YEAR ENDED 31 DECEMBER 2020**

The trustees present their annual report and the financial statements of the charity for the year ended 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102).

### **OBJECTIVE AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The purposes of the charity are the advancement of education and the relief of poverty through trusts, non-Governmental organisations (NGOs), charities and other organisations working in Pakistan, Afghanistan and surrounding countries. The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the trust's aims and objectives, in planning future activities and setting the grant making policy for the year.

The charity furthers its charitable purposes for the public benefit through making grants to the InterLit Foundation Pakistan which aims to provide:

- Language and culture learning materials to inform and support national and international institutions (universities, schools, NGOs).
- Publication services to assist individual authors, as well as national and international institutions, in the preparation of their materials for publication in print, audio and digital form. This includes publishing assistance in the field of adult literacy.
- Books and audio materials, made available through local and international bookshops and language learning programmes.
- Educational consultancy that provides positive information about Pakistan and the surrounding region and its many wonderful people, languages and cultures.

### **GRANT MAKING POLICY**

Grants are considered when applications are received from InterLit Foundation Pakistan. No other grants are considered. The charity has established its grant making policy to achieve its objects for the public benefit.

### **ACHIEVEMENTS AND PERFORMANCE**

The charity furthers its charitable purposes by making grants to the InterLit Foundation Pakistan which in 2020 was successful in providing multiple charitable services:

- The provision of language and culture learning materials.  
Discussion with a national university and application to Oxford University Press is ongoing regarding work on two dictionary projects. This aspect of the work was impacted by Covid-19 restrictions.
- Publication and consultancy services provided to authors and scholars.  
Two agreements were made for the publication of cultural and language learning materials. Digital printing is planned for 2021.
- Books and audio materials remain available through bookshops and on the website.  
Print and audio materials have remained available for distribution locally and internationally, including bookshops and distributors in Pakistan.  
A consultant was hired to assist in the development of the InterLit website.

# INTERLIT FOUNDATION

## REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

### ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

- A commitment to literacy.  
The Covid-19 pandemic closed schools and educational institutions for much of 2020, which affected InterLit Pakistan's ability to distribute newly produced books for children to schools. However,
  - Two hundred and fifty copies of a literacy primer (Pashto -English) were donated to a national institution in February 2020.
  - In December 2020, two hundred and fifty copies of a diglot (Pashto-English) story book for children were donated to a national institution when it briefly re-opened at the end of the year.
  - A second children's story book (Pashto-English) was translated and printed. Copies will be donated to schools and national institutions in 2021.
  - Translation of a third story book began during the year.
- Resilience and responsiveness to change.  
The organisation is exploring ways in which to develop materials for children and educational institutions as the provision of language and culture learning materials has lessened considerably with the Covid-19 pandemic'

The charity remains committed to honouring the heritage, languages and literatures of the region, as well as to being responsive to new opportunities to serve. Its organisational vision, values and commitments position InterLit to assist national educational institutions, non-governmental organisations, universities, private schools, scholars and others in a variety of professions and learning contexts.

Advancing intercultural understanding takes knowledge, wisdom and insight, as well as time and patience. Education and knowledge can help provide a moral compass for a new generation. The need for InterLit's services and expertise and the charitable values that motivate them, is as great today as at its founding.

### FINANCIAL REVIEW

The Unrestricted Income General Fund of the charity received no income from donations and income from translation services and sale of books during the year (2019: £nil). The expenditure consisted of support costs of £6,152 (2019: £1,821), resulting in a deficit of £6,152 (2019: £1,821). The balance of £32,965 (2019: £34,786) was brought forward on 1 January 2020 and £26,813 (2019: £32,965) was carried forward at 31 December 2020.

The Restricted Income Fund, the Book Publication Fund, received donations of £52,220 (2019: £13,040). The expenditure comprised grants paid of £26,000 (2019: £28,700) and support costs of £20 (2019: £43) resulting in a surplus of £26,200 (2019: Deficit of £15,703). The balance brought forward at 1 January 2020 was £6,818 (2019: £22,521) and £33,018 (2019: £6,818) was carried forward at 31 December 2020.

### RISK MANAGEMENT

The trustees have reviewed the risks to which they consider the trust to be susceptible. They are satisfied that systems are in place to mitigate the charity's exposure to major risks.

# INTERLIT FOUNDATION

## REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

### FINANCIAL REVIEW (CONTINUED)

#### RESERVES POLICY

The unrestricted reserves of the charity at 31 December 2020 were £26,813 (2019: £32,965). The trustees have reviewed these reserves and note their importance in being able to meet the charitable objectives of the Foundation and fund grants when required.

#### PLANS FOR THE FUTURE

The trustees intend to continue to seek funds to make grants to InterLit Foundation Pakistan, who plan to develop the printing of adult literacy material and the production of culture and language learning materials for use within the region and globally,

### STRUCTURE, GOVERNANCE AND MANAGEMENT

The trust is a registered charity, number 1099186 and is constituted under a trust deed dated 21 October 2002.

The trust is directed by the board of trustees, all of whose members are volunteers. The trustees meet during the year and review the charity's activities, support and encourage the work and plan for the future. Decisions are taken by a simple majority.

Potential new trustees are generally people known to one or more of the existing trustees who have an area of expertise to offer the charity and who have sympathy with its aims and objectives. Trustees are appointed by resolution of the trustees passed at a special meeting. Once appointed, new trustees learn more about the work of the charity.

No remuneration is paid to any of the trustees. Expenses incurred on behalf of the trust are reimbursed.

### REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees	Mrs S Smith Mr G Smith Miss K Thompson Mrs D Blackman Mr P J Barnard	(Resigned 14 July 2020) (Appointed 14 July 2020)
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Principal Office	P O Box 17 Tunbridge Wells, Kent TN2 3XT
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Independent Examiner	N M Gower-Smith FCA Norman Cox & Ashby, <i>Chartered Accountants</i> Grosvenor Lodge, 72 Grosvenor Road Tunbridge Wells, Kent TN1 2AZ
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Bankers	Lloyds Bank plc 82 Mount Pleasant Road Tunbridge Wells, Kent TN1 1RP
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# **INTERLIT FOUNDATION**

## **REPORT OF THE TRUSTEES**

FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)**

#### **RESPONSIBILITIES OF THE TRUSTEES IN RELATION TO THE FINANCIAL STATEMENTS**

The trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the trustees are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) observe the methods and principles in the applicable Charities SORP;
- (c) make judgements and estimates that are reasonable and prudent;
- (d) state whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- (e) 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 that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 29 March 2021 and signed on their behalf by

D Blackman  
Trustee

# **INTERLIT FOUNDATION**

## **REPORT OF THE INDEPENDENT EXAMINER ON THE TRUSTEES OF INTERLIT FOUNDATION FOR THE YEAR ENDED 31 DECEMBER 2020**

I report to the trustees on my examination of the accounts of Interlit Foundation for the year ended 31 December 2020 set out on pages 6 to 11.

### **RESPONSIBILITIES AND BASIS OF REPORT**

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **INDEPENDENT EXAMINER'S STATEMENT**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination which give me cause to believe that in any material respect:

- accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and contents of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair" view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

N M Gower-Smith FCA  
NORMAN COX & ASHBY  
*Chartered Accountants*  
Grosvenor Lodge  
72 Grosvenor Road  
Tunbridge Wells  
Kent TN1 2AZ

29 March 2021

# INTERLIT FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Fund £	Restricted Fund £	Total 2020 £	Total 2019 £
<b>INCOME</b>	<b>2</b>				
Donations and Legacies		-	52,220	52,220	13,040
Charitable Activities		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL INCOME</b>		<b>-</b>	<b>52,220</b>	<b>52,220</b>	<b>13,040</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURE</b>	<b>3</b>				
Charitable Activities					
Grants Paid		-	26,000	26,000	28,700
Support Costs		6,152	20	6,172	1,864
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL EXPENDITURE</b>		<b>6,152</b>	<b>26,020</b>	<b>32,172</b>	<b>30,564</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>NET (EXPENDITURE) / INCOME</b>		<b>(6,152)</b>	<b>26,200</b>	<b>20,048</b>	<b>(17,524)</b>
TRANSFERS		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
<b>NET MOVEMENT IN FUNDS</b>		<b>(6,152)</b>	<b>26,200</b>	<b>20,048</b>	<b>(17,524)</b>
		<hr/>	<hr/>	<hr/>	<hr/>
<b>RECONCILIATION OF FUNDS</b>					
TOTAL FUNDS BROUGHT FORWARD AT 1 JANUARY 2020		32,965	6,818	39,783	57,307
		<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER 2020</b>	<b>5</b>	<b>£26,813</b>	<b>£33,018</b>	<b>£59,831</b>	<b>£39,783</b>
		<hr/>	<hr/>	<hr/>	<hr/>

# INTERLIT FOUNDATION

## BALANCE SHEET AT 31 DECEMBER 2020

	Notes	£	2020 £	£	2019 £
<b>CURRENT ASSETS</b>					
Cash at Bank and in Hand		60,989		41,337	
		<u>60,989</u>		<u>41,337</u>	
<b>TOTAL CURRENT ASSETS</b>					
		60,989		41,337	
<b>LIABILITIES</b>					
Creditors falling due within one year		1,158		1,554	
		<u>1,158</u>		<u>1,554</u>	
<b>NET CURRENT ASSETS</b>			59,831		39,783
			<u>59,831</u>		<u>39,783</u>
<b>NET ASSETS</b>			£59,831		£39,783
			<u>£59,831</u>		<u>£39,783</u>
<b>THE FUNDS OF THE CHARITY</b>					
Unrestricted Income Fund					
General Fund	7		26,813		32,965
Restricted Income Fund	8		33,018		6,818
			<u>33,018</u>		<u>6,818</u>
<b>TOTAL CHARITY FUNDS</b>			£59,831		£39,783
			<u>£59,831</u>		<u>£39,783</u>

Approved by the Trustees on 21 March 2021 and signed on their behalf by

D Blackman  
Trustee

# INTERLIT FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 ACCOUNTING POLICIES

(a) Basis of Preparation and Assessment of Going Concern

The financial statements have been prepared under the historically cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the trust's ability to continue as a going concern.

(b) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

(c) Fund Structure

The unrestricted income fund comprises those funds which the trustees are free to use for any purpose in furtherance of the objectives of the charity.

Restricted income funds are funds raised for specific purposes or that have restrictions imposed by donors and can only be applied for the particular purposes specified by the donors.

(d) Incoming Recognition

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when received by or on behalf of the charity. Other income is recognised when it has been communicated in writing with notification of both the amount and settlement date. Income from translation services and sale of books is accounted for when received.

(e) Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Grants are made to the InterLit Foundation Pakistan to enable it to meet its charitable objectives. Grants are made at the discretion of the trustees.

(f) Allocation of Support and Governance Costs

Support costs have been differentiated between governance costs and other support costs. 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 the independent examination and trustees expenses.

# INTERLIT FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

### 1 ACCOUNTING POLICIES (CONTINUED)

(g) Allocation of Support and Governance Costs (Continued)

Governance costs and support costs relating to charitable activities have been apportioned based on the number of grant awards made in recognition that the administrative costs of awarding grants are broadly equivalent. The allocation of support and governance costs are analysed in note 3.

(h) Charitable Activities

The expenditure on charitable activities includes those costs incurred directly on the objects of the charity, governance costs and support costs.

	Unrestricted Fund £	Restricted Fund £	Total 2020 £	Total 2019 £
<b>2 INCOME</b>				
Donations and Legacies				
Donations	-	52,220	52,220	13,040
Charitable Activities				
Translation Services and Sale of Books	-	-	-	-
<b>TOTAL INCOME</b>	<b>£-</b>	<b>£52,220</b>	<b>£52,220</b>	<b>£13,040</b>
<b>3 EXPENDITURE</b>				
Charitable Activities				
Grants Paid				
InterLit Foundation Pakistan (5 grants)	-	26,000	26,000	28,700
	-	26,000	26,000	28,700
Support Costs				
Bank Charges	-	20	20	43
Postage	323	-	323	267
Travel	111	-	111	-
IT Consultancy	4,974	-	4,974	-
Governance Costs				
Independent Examiner's Fee	1,158	-	1,158	-
Accountant's Fee	(414)	-	(414)	1,554
	6,152	20	6,172	1,864
<b>TOTAL EXPENDITURE</b>	<b>£6,152</b>	<b>£26,020</b>	<b>£32,172</b>	<b>£30,564</b>

# INTERLIT FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

### 4 EMPLOYEES

There were no employees during the year.

### 5 RECONCILIATION OF FUNDS

	Unrestricted Fund £	Restricted Fund £	Total 2020 £	Total 2019 £
Cash at Bank and in Hand	27,971	33,018	60,989	41,337
Creditors and Accruals	(1,158)	-	(1,158)	(1,554)
	<u>£26,813</u>	<u>£33,018</u>	<u>£59,831</u>	<u>£39,783</u>

### 6 LIABILITIES

CREDITORS: Amounts falling due within one year

Accruals	1,158	1,554
	<u>£1,158</u>	<u>£1,554</u>

### 7 ANALYSIS OF UNRESTRICTED INCOME FUND

General Fund		
At 1 January 2019	32,965	34,786
Income	-	-
Expenditure	(6,152)	(1,821)
	<u>£26,813</u>	<u>£32,965</u>
At 31 December 2019		

### 8 ANALYSIS OF RESTRICTED INCOME FUND

Book Publications Fund		
At 1 January 2020	6,818	22,521
Income	52,220	13,040
Expenditure	(26,020)	(28,743)
	<u>£33,018</u>	<u>£6,818</u>
At 31 December 2020		

The Book Publications Fund is used for the costs associated with the publication of literature distributed in Pakistan.

# **INTERLIT FOUNDATION**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)**

### **9 RELATED PARTY TRANSACTIONS**

Two of the trustees, Mr G Smith and Mrs S Smith, are trustees of Interlit Foundation Pakistan. The Restricted Fund includes grants to that trust totalling £26,000 (2019: £28,700) for book publications.

### **10 TRANSACTIONS WITH TRUSTEES**

Neither the trustees nor any persons connected with them have received any remuneration during the year.

None of the trustees received any payment from the trust during the year or the previous year.