

# **INTERLIT FOUNDATION**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

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 2021**

The trustees present their annual report and the financial statements of the charity for the year ended 31 December 2021. 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 2021 was successful in providing multiple charitable services:

- The provision of language and culture learning materials.  
The digital Italian version of One Hundred Afghan Persian proverbs was produced and printed in 2021. It is available online on Amazon and on the InterLit website as a print-on-demand publication.  
The first draft of a diglot (Pashto-English) pictorial dictionary for children was made, for publication in 2022. This is an InterLit Foundation original concept.
- Work on publications was interrupted for a second year by the ongoing Covid-19 pandemic. Educational institutions and schools in Pakistan were closed for much of 2021. This negatively impacted InterLit Pakistan's ability to distribute new books and interact with potential translators.
- Publication and consultancy services provided to authors and scholars.  
Stories for Children, the second book of children's stories in the "Grandpa" series was printed in January 2021 in partnership with the Pashto Academy, University of Peshawar. Two hundred and fifty copies were donated to the Pashto Academy.  
Work on a third book of stories, "Wild Swans" continued. This book in Pashto-English is designed for older children. It is being produced in partnership with the Pashto Academy. Publication is scheduled for 2022.

# **INTERLIT FOUNDATION**

## **REPORT OF THE TRUSTEES**

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

### **ACHIEVEMENTS AND PERFORMANCE (CONTINUED)**

- Books and audio materials remain available through bookshops and on the website. Print and audio materials have remained available for distribution locally and internationally. Reprints are made as stock is depleted. With the help of an IT consultant, the InterLit website was completely overhauled. Texts are being developed for digital access through the website.
- A commitment to literacy. The work to re-record the audio teaching to accompany the Bilingual Primer designed to help Pashto literacy was unable to go ahead because Covid-19 restrictions. This is now scheduled for 2022.
- Resilience and responsiveness to change. When the organisation received no response to its request to translate a children's dictionary from Urdu to Pashto, it set about designing its own dictionary in consultation with an educationalist (see above). The new pictorial dictionary is specifically designed for Pakistani children.

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 (2020: £nil). The expenditure consisted of support costs of £18,328 (2020: £6,152), resulting in a deficit of £18,328 (2020: £6,152). The balance of £26,813 (2020: £32,965) was brought forward on 1 January 2021 and £8,485 (2020: £26,813) was carried forward at 31 December 2021.

The Restricted Income Fund, the Book Publication Fund, received donations of £39,535 (2020: £52,220). The expenditure comprised grants paid of £22,769 (2020: £26,000) and support costs of £45 (2020: £20) resulting in a surplus of £16,721 (2020: £26,200). The balance brought forward at 1 January 2021 was £33,018 (2020: £6,818) and £49,739 (2020: £33,018) was carried forward at 31 December 2021.

### **RISK MANAGEMENT**

The trustees have reviewed the risks to which they consider the trust to be susceptible, especially considering changes within the Pakistan-Afghanistan region that occurred in 2021. The trustees are satisfied that systems are in place to mitigate the charity's exposure to major risks.

### **RESERVES POLICY**

The unrestricted reserves of the charity at 31 December 2021 were £8,485 (2020: £26,813). 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.

# **INTERLIT FOUNDATION**

## **REPORT OF THE TRUSTEES**

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

### **FINANCIAL REVIEW (CONTINUED)**

#### **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 literacy material and the production of culture and language learning materials for use within the region and globally. These materials will be for distribution through bookshops, and academic and other partners, and through the InterLit website.

### **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 Mrs D Blackman Mr P J Barnard
Principal Office	P O Box 17 Tunbridge Wells, Kent TN2 3XT
Independent Examiner	N M Gower-Smith FCA Norman Cox & Ashby <i>Chartered Accountants</i> Grosvenor Lodge 72 Grosvenor Road Tunbridge Wells Kent TN1 2AZ
Bankers	Lloyds Bank plc 82 Mount Pleasant Road Tunbridge Wells Kent TN1 1RP

# **INTERLIT FOUNDATION**

## **REPORT OF THE TRUSTEES**

FOR THE YEAR ENDED 31 DECEMBER 2021 (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 12 July 2022 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 2021**

I report to the trustees on my examination of the accounts of Interlit Foundation for the year ended 31 December 2021 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

12 July 2022

# INTERLIT FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted Fund £	Restricted Fund £	Total 2021 £	Total 2020 £
<b>INCOME</b>	<b>2</b>				
Donations and Legacies		-	39,535	39,535	52,220
Charitable Activities		-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL INCOME</b>		<u>-</u>	<u>39,535</u>	<u>39,535</u>	<u>52,220</u>
<b>EXPENDITURE</b>	<b>3</b>				
Charitable Activities					
Grants Paid		-	22,769	22,769	26,000
Support Costs		18,328	45	18,373	6,172
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EXPENDITURE</b>		<u>18,328</u>	<u>22,814</u>	<u>41,142</u>	<u>32,172</u>
<b>NET (EXPENDITURE) / INCOME</b>		<u>(18,328)</u>	<u>16,721</u>	<u>(1,607)</u>	<u>20,048</u>
TRANSFERS		-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET MOVEMENT IN FUNDS</b>		<u>(18,328)</u>	<u>16,721</u>	<u>(1,607)</u>	<u>20,048</u>
<b>RECONCILIATION OF FUNDS</b>					
TOTAL FUNDS BROUGHT FORWARD AT 1 JANUARY 2021		<u>26,813</u>	<u>33,018</u>	<u>59,831</u>	<u>39,783</u>
<b>TOTAL FUNDS CARRIED FORWARD AT 31 DECEMBER 2021</b>	<b>5</b>	<u>£8,485</u>	<u>£49,739</u>	<u>£58,224</u>	<u>£59,831</u>

# INTERLIT FOUNDATION

## BALANCE SHEET AT 31 DECEMBER 2021

	Notes	£	2021 £	£	2020 £
<b>CURRENT ASSETS</b>					
Cash at Bank and in Hand		59,400		60,989	
		<u>59,400</u>		<u>60,989</u>	
<b>TOTAL CURRENT ASSETS</b>		59,400		60,989	
<b>LIABILITIES</b>					
Creditors falling due within one year		1,176		1,158	
		<u>1,176</u>		<u>1,158</u>	
<b>NET CURRENT ASSETS</b>			58,224		59,831
			<u>58,224</u>		<u>59,831</u>
<b>NET ASSETS</b>			£58,224		£59,831
			<u>£58,224</u>		<u>£59,831</u>
<b>THE FUNDS OF THE CHARITY</b>					
Unrestricted Income Fund					
General Fund	7		8,485		26,813
Restricted Income Fund	8		49,739		33,018
			<u>49,739</u>		<u>33,018</u>
<b>TOTAL CHARITY FUNDS</b>			£58,224		£59,831
			<u>£58,224</u>		<u>£59,831</u>

Approved by the Trustees on 12 July 2022 and signed on their behalf by

D Blackman  
Trustee

# INTERLIT FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

### 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 2021 (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 2021 £	Total 2020 £
<b>2 INCOME</b>				
Donations and Legacies				
Donations	-	39,535	39,535	52,220
Charitable Activities				
Translation Services and Sale of Books	-	-	-	-
<b>TOTAL INCOME</b>	<b>£-</b>	<b>£39,535</b>	<b>£39,535</b>	<b>£52,220</b>
<b>3 EXPENDITURE</b>				
Charitable Activities				
Grants Paid				
InterLit Foundation Pakistan (5 grants)	-	22,769	22,769	26,000
	-	22,769	22,769	26,000
Support Costs				
Bank Charges	-	45	45	20
Postage	283	-	283	323
IT and Office Supplies	225	-	225	-
Travel	-	-	-	111
IT Consultancy	16,644	-	16,644	4,974
Governance Costs				
Independent Examiner's Fee	588	-	588	1,158
Accountant's Fee	588	-	588	(414)
	18,328	45	18,373	6,172
<b>TOTAL EXPENDITURE</b>	<b>£18,328</b>	<b>£22,814</b>	<b>£41,142</b>	<b>£32,172</b>

# INTERLIT FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

### 4 EMPLOYEES

There were no employees during the year.

### 5 RECONCILIATION OF FUNDS

	Unrestricted Fund £	Restricted Fund £	Total 2021 £	Total 2020 £
Cash at Bank and in Hand	9,661	49,739	59,400	60,989
Creditors and Accruals	(1,176)	-	(1,176)	(1,158)
	<u>£8,485</u>	<u>£49,739</u>	<u>£58,224</u>	<u>£59,831</u>

### 6 LIABILITIES

CREDITORS: Amounts falling due within one year

Accruals	1,176	1,158
	<u>£1,176</u>	<u>£1,158</u>

### 7 ANALYSIS OF UNRESTRICTED INCOME FUND

General Fund		
At 1 January 2021	26,813	32,965
Income	-	-
Expenditure	(18,328)	(6,152)
	<u>£8,485</u>	<u>£26,813</u>
At 31 December 2021		

### 8 ANALYSIS OF RESTRICTED INCOME FUND

Book Publications Fund		
At 1 January 2021	33,018	6,818
Income	39,535	52,220
Expenditure	(22,814)	(26,020)
	<u>£49,739</u>	<u>£33,018</u>
At 31 December 2021		

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 2021 (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 £22,769 (2020: £26,000) 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.