

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020
FOR
KASHMIR ORPHAN RELIEF TRUST**

KASHMIR ORPHAN RELIEF TRUST
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For The Year Ended 31 October 2020

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KASHMIR ORPHAN RELIEF TRUST

REFERENCE AND ADMINISTRATIVE DETAILS
For The Year Ended 31 October 2020

TRUSTEES

Mr A A Latif
Mr M Akhtar
Mr M M Afzal
Mr M R Bashir
Mr M Yaqoob
Mr N Farooq
Mr P Akhtar (resigned 12.4.21)
Mr Z Hussain

PRINCIPAL ADDRESS

Leicester Business Centre
111 Ross Walk
Leicester
Leicestershire
LE4 5HH

REGISTERED CHARITY NUMBER

1113836

AUDITORS

Fortus Audit LLP
Chartered Accountants and Statutory Auditor
31 High View Close
Hamilton Office Park
Leicester
Leicestershire
LE4 9LJ

KASHMIR ORPHAN RELIEF TRUST
REPORT OF THE TRUSTEES
For The Year Ended 31 October 2020

The trustees present their report with the financial statements of the charity for the year ended 31 October 2020. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The key objective of the charity is to raise funds for the purpose of providing relief to the poor, disabled, widows, and orphans of Azad Jammu Kashmir-Pakistan. With the assistance of the charity, these categories of people are provided with (depending on their need) necessities such as food, shelter, clothes, medicines, education, wheelchairs, and sewing machines.

Public benefit

The Trustees have reviewed the general guidance provided by the Charity Commission with regard to a statement of public benefit. The Trustees have ensured that the Charity remains focussed on our charitable aims and continue to deliver benefits to the public.

Grantmaking

KORT does not provide grants to any individuals or organisations. Funds are used for our own selected projects i.e., sustainability of our own orphanage in Mirpur, Azad Kashmir and distribution of food relief packages, wheelchairs, and sewing machines for the poor & needy people of Azad Kashmir - once the need has been verified by our own local teams.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Orphans Sponsorship and Sustainability Program

During the period YE2020, The KORT Sponsorship Program catered for 410 orphan children based in our purpose-built home for orphans: namely The KORT Educational Complex, Akhtarabad, Mirpur, Azad Kashmir. At KORT, the children are safeguarded from the scourge of poverty and provided with fresh meals, safe and secure environment, living accommodation, recreational facilities, casual clothing and school uniforms, medical care, and quality education.

October 2020 - Earthquake 2005 and KORT Anniversary Rally

8th October 2020 marked 15 years since the devastating earthquake that struck Azad Kashmir and 15 years since the inception of KORT. A remembrance rally was organised by KORT in Mirpur City to honour and pray for the victims in which hundreds of people took part including KORT children, our Staff, our donors, supporters and Muskorteers from around the world, children from other local schools, dignitaries, and the national media.

October 2020 - KORT Sports Complex

Teaching is not limited to just the classrooms. There are many skills that a child acquires on a playground such as making rapid decisions under pressure, leadership, teamwork, courage, mental agility and finding creative solutions to solve problems. To aid the development of such skills and to promote a healthy lifestyle, a Sports Complex was built on the grounds of KORT which includes a football pitch, cricket practice nets, a basketball court, and a tennis court. The Sports Complex was inaugurated in October 2020 by the Honourable Speaker of the National Assembly of Pakistan; Mr. Asad Qaiser, and the Owner of the Lahore Qalanders Cricket Team; Mr. Fawad Rana.

October 2020 - New Primary School in Mawa, Islamghar, Azad Kashmir

As part of our initiative 'Education for every Child', we built and inaugurated a much-needed Primary School in Mawa, Islamgarh, Mirpur, Azad Kashmir during October 2020. The school facility has been built with the aim to provide basic primary education in a good environment to make it comfortable and accessible for young learners from local villages.

September 2020 - Chairman Ch. Mohammed Akhtar Receives Fourth Highest Civilian Honour

Since 2005, KORT has been leading from the front to tackle poverty, providing hope to orphaned and abandoned children, assisting disabled people, and providing emergency aid to people affected by natural disasters across Azad Kashmir and Pakistan. In recognition of the outstanding achievements of KORT, our chairman Ch. Mohammed Akhtar was awarded with the Tamgha-E-Imtiaz Award (Highest Civilian Honour) in September 2020, our chairman would like to thank and dedicate this award to his family, the children of KORT, the Trustees, the staff, and to all our Muskorteers and donors from around the world.

August 2020 - Karachi Floods

During August 2020, Karachi, the largest city of Pakistan experienced some of the most intense monsoon rains in years. Streets turned to rivers while stagnant water caused an increase in mosquitoes and other diseases. KORT dispatched trucks full of medicine relief to help the neediest people in Karachi with the assistance of the Pakistan Army. Thank you to our generous donors and Muskorteers for supporting this appeal.

KASHMIR ORPHAN RELIEF TRUST
REPORT OF THE TRUSTEES
For The Year Ended 31 October 2020

August 2020 - Qurbani Meat

In August 2020, we were able to carry out a record 105 Qurbanis (religious slaughter) of large animals as part of our Annual Qurbani Project for the poor & needy. Due to the volume of animals involved, the Qurbanis were carried out in the following 6 locations: Mirpur, Muzaffarabad, Bagh, Poonch, Kotli and Jhelum. Over 8,000 needy people were given 2kg worth of meat each, enough to provide a good meal for a family of 5 people. Thank you to all our donors who booked their Qurbani with KORT.

July - October 2020 - Water Filtration Plants

With the support of our generous donors, we have built Water Filtration Plants in Kotli, Abdumpur, Islamghar, Jorriyan, Malikabad and Panyam Chakswari AJK between July and October 2020. Each Filtration Plant will help thousands of people with clean drinking water. We will be building many more facilities like this during 2021 to benefit many more communities across Azad Kashmir who have difficulty in accessing clean and safe drinking water. Thank you to all our donors and Muskorteers who have supported this noble cause.

May 2020 - Fitrana Distribution

Over £8,000 worth of Fitrana funds were distributed to needy people before Eid-ul-Fitr. Over 400 recipients received 4,000 rupees each to enjoy and celebrate Eid with their families. Fitrana is a way to give thanks to God for having enabled us the strength to observe the obligatory fasts and a way to cleanse ourselves of any shortcomings or misconduct during the month of Ramadan.

March 2020 - July 2020 - KORT Covid-19 Response

The Covid-19 pandemic is a global shock 'like no other', infecting millions and bringing economic activity to a near-standstill as countries imposed tight restrictions on movement to halt the spread of the virus.

Daily wage workers and the poor were the worst affected as they faced hunger and struggled to survive.

Team KORT was one of the first charities on the ground and played a huge role to help reduce the spread of the virus in Azad Kashmir by setting up quarantine centres, distributing Covid-19 awareness leaflets, providing masks, disinfectants, and other PPEs to thousands of people, and providing lifesaving ventilators to multiple hospitals who did not have any.

Thousands of needy families were also supported with food, medicine, and essential packs across Azad Kashmir, Gilgit Baltistan and Pakistan which was appreciated and recognised by the Prime Minister of Pakistan: Honourable Imran Khan.

Thanks to our Muskorteers Naseeb Abbas and Waseem Ahmed, the NHS hospitals in Leicester which was one of the worst affected cities in the UK were also provided with fans, hand creams, bottled water, and snacks to boost the morale of staff in the fight against Covid-19.

Thank you to all our generous donors who supported our Covid-19 appeals despite their own lockdown struggles. A big thank you also to our amazing Muskorteers and staff who worked around the clock for the sake of humanity.

February 2020 - Prime Minister of Pakistan; Imran Khan visits KORT

A historic occasion for KORT! The Honourable Prime Minister of the Islamic Republic of Pakistan; Imran Khan Sahib visited the KORT Educational Complex on 06 February 2020. The Prime Minister inaugurated The KORT Educational & Residential Complex, interacted with the children, and visited classrooms and residential hostels for orphan boys and girls.

The Honourable Prime Minister was amazed by the excellent facilities provided by KORT for orphan children and congratulate KORT for their achievements. He said the humanitarian efforts of KORT should be emulated by other organisations across Pakistan.

We thanked the Honourable Prime Minister on behalf of everyone at KORT for taking out his precious time to come and visit KORT, and for boosting the morale of the children, staff, and the supporters of KORT around the world.

January 2020 - October 2020 - Sewing Machine and Wheelchair Distributions

As part of our ongoing sustainability and support programs, hundreds of wheelchairs and sewing machines have been distributed on behalf of our donors who contributed towards these appeals during the year. We have executed successful wheelchair distributions in Islamabad and Swabi in the presence of the Speaker of the National Assembly of Pakistan; Mr. Asad Qaiser, in Dina in the presence of the Deputy Commissioner of Jhelum, Rao Pervaiz Akhtar and the Assistant Commissioner of Dina; Anisha Hisham, and in Muzaffarabad in the presence of the President of Azad Jammu & Kashmir; Sardar Masood Ahmed Khan and the Minister of Social Welfare; Madam Noreen Arif. Hundreds of sewing machines were provided to the poor and unemployed women and widows of Swabi KPK Pakistan so they can earn a living and support their families.

January 2020 - Muskorteers Recognition Event

An Awards Ceremony was held in Bradford during January 2020 to recognise the unstinting efforts of our Muskorteers (volunteers) who sacrifice their time and wealth to support us around the country when called upon.

December 2019 - Umrah Pilgrimage trip for 14 lucky orphan children

14 orphan children were picked randomly during a lucky draw to go and perform Umrah in December 2019 through the sponsorships of generous donors. The children were blessed with the honour of performing Umrah in Makkah and visited the Holy Prophet Mohammed's (peace and blessings upon him) Mosque in Madinah, Saudi Arabia.

KASHMIR ORPHAN RELIEF TRUST

REPORT OF THE TRUSTEES For The Year Ended 31 October 2020

November 2019 - October 2020 - Earthquake Housing Project

KORT found itself in the middle of a high intensity Earthquake on the 24th of September 2019 in which 41 people were martyred and a further 850 injured. With widespread damage to buildings and other infrastructure, KORT pledged to build 150 homes for the poor & needy whose homes were demolished by the Earthquake or damaged beyond economical repair. Despite encountering delays during the year due to Covid-19 lockdowns, over 100 houses have been built and handed over to the needy families. We hope to complete the remaining houses including the KORT Village by mid-2021.

Fundraising activities

Here are KORT's main fundraising methods and activities:

- Charity Fundraising Dinners - The charity holds charity fundraising events in different cities around England throughout the year to provide information and feedback to donors of our progress and share our plans for the sustainability of KORT. A total of 9 charity dinners were held during this account period before the Covid-19 national lockdown was enforced.

- TV & Radio Appeals - Due to the enforced Covid-19 lockdown measures, the number of our TV and radio appeals were impacted during Ramadhan 2020. A total of 2 Live Radio Appeals and 2 Live TV Appeals were broadcasted during this accounting period.

- Online Fundraising Platforms - Several of our Muskorteers (volunteers) from across England raised funds for KORT by setting up fundraising pages on Justgiving.com.

FINANCIAL REVIEW

Financial position

During the year ended 31st October 2020, the charity received an income totalling £3,304,936 (cf.2019: £1,690,163). This included Gift Aid of £320,779 of which £200,516 was received from the HMRC and a further £120,263 was received via JustGiving. An expenditure of £1,378,485 was incurred to meet the charity's prime objectives in Azad Kashmir. £1,120,550 of the total expenditure went towards the running of the orphanage in Mirpur Azad Kashmir and towards providing relief to disabled people, widows, and the needy people of Azad Kashmir who were affected by the September 2019 Mirpur Earthquake and the Covid-19 enforced lockdowns. The total amount of funds carried forward was £2,991,203 (cf.2019: £1,064,752).

One of the reasons we had significant funds carried forward at YE 2020 was due to government enforced covid-19 lockdowns which caused delays and restricted our relief work across Azad Kashmir. Another reason was because we were unable to send regular funds abroad due to restrictions being placed on our Azad Kashmir bank accounts. The restrictions were due to a delay in KORT being registered as an International Non-Government Organisation (INGO) in Pakistan. Since 2019, the government of Pakistan restructured the charity registration process and regulations in Pakistan. This registration process required approvals and documentation from many governmental departments which involved procedural delays. As we were unable to send regular funds over to Pakistan during this period, this also resulted in significant amount of funds carried forward. Thankfully however, we were able to sustain our regular charitable activities in Azad Kashmir during the period because of our reserves and financial measures to protect KORT in such circumstances.

During the accounts period of YE 2021, there will a significant increase in expenditure as the reserves are replenished, and further charitable projects are delivered. Construction of a new orphanage in Swabi, KPK Pakistan is already underway. We have also purchased some land to build a KORT general store and warehouse in the city of Mirpur which will generate some revenue for KORT and save us a lot of money when we carry out future food relief distributions. We will also be launching a new project called Help Kashmir with the aim of offering practical support and services to the most needy and vulnerable people in Azad Kashmir.

Principal funding sources

Funds received via Direct Debit and Standing Order remains a key source of income for KORT. This maintains a constant flow of income to sustain our orphans' home and deliver our objectives.

Gift Aid is also an important source of income for KORT and we make effective use of this additional money. Gift Aid helps to cover our essential operating and administration costs, ensuring donations can have maximum impact and reach those in need.

KASHMIR ORPHAN RELIEF TRUST
REPORT OF THE TRUSTEES
For The Year Ended 31 October 2020

FINANCIAL REVIEW

Reserves policy

Purpose

The purpose of the Reserve Policy is for KORT UK to build and maintain an adequate level of unrestricted funds to support KORT AK's day-to-day operations in the event of unforeseen shortfalls. The reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development and investment in infrastructure.

Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. The charity intends for the reserves to be used and replenished periodically as necessary. This Reserve Policy will be implemented in conjunction with the other financial policies of the charity and is intended to support the goals and strategies contained in those related policies and in strategic and operational plans.

Definitions and Goals

The Reserve is defined as the designated fund set aside by action of the Board of Trustees. The minimum amount to be designated as reserve will be established in an amount adequate to maintain ongoing administrative costs for a set period measured in months. The reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

The intention of KORT UK is to build a minimum Reserve fund equal to 3 years of average recurring operating costs. This is calculated by KORT AK's monthly running costs multiplied by 36 months. In addition to calculating the actual reserve at the fiscal year-end, the reserve fund minimum will be calculated each year after approval of the annual budget. These reserves will be reported to the Board of Trustees and included in the regular financial reports.

Funding of Reserves

The Reserve Fund will be funded by KORT UK with surplus unrestricted operating funds. The Board of Trustees may, from time to time, direct that a specific source of revenue be set aside for reserves. For example, special appeals.

The Board of Trustees will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Reserve Policy.

Authority to use Reserves

KORT AK will submit a request to use reserves to the Board of Trustees. The request will include the analysis and determination of the use of funds and plans for replenishment. The charity's goal is to replenish the funds used within a reasonable amount of time as necessary to restore the Reserve Fund to the target minimum amount. The Board of Trustees will either approve or modify the request and authorise transfer from the Reserve Fund.

Reporting and Monitoring

The Board of Trustees are responsible for ensuring that the Reserve Fund is maintained and used only as described in this Policy. Upon approval of the use of reserve funds, the KORT AK's accounts department will maintain records of the use of funds and plan for replenishment of the reserve fund account. KORT AK's accounts department will provide regular periodic reports to the Board of Trustees of progress to restore the fund to the target minimum amount.

The Board of Trustees will annually discuss what additional risk factors might be considered for the organisation and the impact of budgeting on reserve levels.

Review of Policy

This Policy will be reviewed by the Board of Trustees annually at minimum, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the accounts department to the Board of Trustees.

This policy, upon every revision hereof, must be distributed by the Office Manager to the following individuals/entities: Internal Accounts department, relevant managers.

The Internal Accounts department is established by the KORT Board of Trustees to recommend financial policies, strategies, and budgets that support the mission, values, and strategic plan of the charity. Its purpose is to ensure the financial health and integrity of the charity in pursuit of its mission to focus on alleviating poverty for those in dire need of humanitarian aid - via critical emergency aid, and/or social sustainable projects.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The charity is constituted by a Trust Deed dated 10 April 2006 and is registered with the Charity Commission in England.

KASHMIR ORPHAN RELIEF TRUST
REPORT OF THE TRUSTEES
For The Year Ended 31 October 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The recruitment and selection of new members of the Board of Trustees is the responsibility of the Board.

The selection process includes inviting selected individuals who have been affiliated with KORT over the years and are respected in their own communities to a meeting with senior trustees to assess their suitability for the role. Following this, the Trustees meet to discuss each applicant, and those who are felt to fulfil their criteria are invited to join the Board subject to appropriate checks and references.

Organisational structure

KORT has 8 trustees, 3 full-time admin staff, and we have taken on 1 graphic designer on a part-time basis in the UK.

Induction and training of new trustees

Trustees that are selected are already aware of the ways of working of KORT. Once on board, the senior trustees explain to them their roles and responsibilities, an introduction to other trustees, an overview of recent activities, an explanation of the Board format, processes, and our projects.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Approved by order of the board of trustees on24/8/21..... and signed on its behalf by:


.....

Mr M Akhtar - Trustee

KASHMIR ORPHAN RELIEF TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES
For The Year Ended 31 October 2020

The trustees are responsible for preparing the Report of the Trustees and the 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 which 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 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
KASHMIR ORPHAN RELIEF TRUST**

Opinion

We have audited the financial statements of Kashmir Orphan Relief Trust (the 'charity') for the year ended 31 October 2020 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 (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 October 2020 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 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 Auditors' 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- 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

As explained more fully in the Statement of Trustees' Responsibilities, 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
KASHMIR ORPHAN RELIEF TRUST**

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Fortus Audit LLP

Fortus Audit LLP
Chartered Accountants and Statutory Auditor
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
31 High View Close
Hamilton Office Park
Leicester
Leicestershire
LE4 9LJ

Date: 25/8/2021

KASHMIR ORPHAN RELIEF TRUST
STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 October 2020

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	2,617,412	685,299	3,302,711	1,689,110
Investment income	3	2,225	-	2,225	1,053
Total		<u>2,619,637</u>	<u>685,299</u>	<u>3,304,936</u>	<u>1,690,163</u>
EXPENDITURE ON					
Raising funds	4	251,875	-	251,875	258,508
Charitable activities	5				
Donations paid to beneficiaries		442,401	678,149	1,120,550	1,041,000
Other		6,060	-	6,060	4,940
Total		<u>700,336</u>	<u>678,149</u>	<u>1,378,485</u>	<u>1,304,448</u>
NET INCOME		<u>1,919,301</u>	<u>7,150</u>	<u>1,926,451</u>	<u>385,715</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		1,064,752	-	1,064,752	679,037
TOTAL FUNDS CARRIED FORWARD		<u>2,984,053</u>	<u>7,150</u>	<u>2,991,203</u>	<u>1,064,752</u>

The notes form part of these financial statements

KASHMIR ORPHAN RELIEF TRUST

**BALANCE SHEET
31 October 2020**

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	11	19,506	-	19,506	24,263
CURRENT ASSETS					
Debtors	12	12,962	-	12,962	89,726
Cash at bank		2,964,479	7,150	2,971,629	964,046
		<u>2,977,441</u>	<u>7,150</u>	<u>2,984,591</u>	<u>1,053,772</u>
CREDITORS					
Amounts falling due within one year	13	(12,894)	-	(12,894)	(13,283)
NET CURRENT ASSETS		<u>2,964,547</u>	<u>7,150</u>	<u>2,971,697</u>	<u>1,040,489</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,984,053</u>	<u>7,150</u>	<u>2,991,203</u>	<u>1,064,752</u>
NET ASSETS		<u>2,984,053</u>	<u>7,150</u>	<u>2,991,203</u>	<u>1,064,752</u>
FUNDS	14				
Unrestricted funds				2,984,053	1,064,752
Restricted funds				7,150	-
TOTAL FUNDS				<u>2,991,203</u>	<u>1,064,752</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 24/8/21. and were signed on its behalf by:


.....
Mr M Akhtar - Trustee

The notes form part of these financial statements

KASHMIR ORPHAN RELIEF TRUST
CASH FLOW STATEMENT
For The Year Ended 31 October 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	2,005,702	304,551
Net cash provided by operating activities		<u>2,005,702</u>	<u>304,551</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(344)	(26,680)
Interest received		2,225	1,053
Net cash provided by/(used in) investing activities		<u>1,881</u>	<u>(25,627)</u>
Change in cash and cash equivalents in the reporting period		<u>2,007,583</u>	<u>278,924</u>
Cash and cash equivalents at the beginning of the reporting period		<u>964,046</u>	<u>685,122</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,971,629</u></u>	<u><u>964,046</u></u>

The notes form part of these financial statements

KASHMIR ORPHAN RELIEF TRUST
NOTES TO THE CASH FLOW STATEMENT
For The Year Ended 31 October 2020

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income for the reporting period (as per the Statement of Financial Activities)	1,926,451	385,715
Adjustments for:		
Depreciation charges	5,101	6,335
Interest received	(2,225)	(1,053)
Decrease/(increase) in debtors	76,764	(89,726)
(Decrease)/increase in creditors	(389)	3,280
Net cash provided by operations	<u>2,005,702</u>	<u>304,551</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.11.19 £	Cash flow £	At 31.10.20 £
Net cash			
Cash at bank	964,046	2,007,583	2,971,629
	<u>964,046</u>	<u>2,007,583</u>	<u>2,971,629</u>
Total	<u>964,046</u>	<u>2,007,583</u>	<u>2,971,629</u>

The notes form part of these financial statements

1. ACCOUNTING POLICIES**Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Expenditure

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 a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

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

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 20% on reducing balance
Office equipment	- 25% on reducing balance

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

KASHMIR ORPHAN RELIEF TRUST
NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 October 2020

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	2,981,932	1,512,786
Gift aid	320,779	176,324
	<u>3,302,711</u>	<u>1,689,110</u>

3. INVESTMENT INCOME

	2020	2019
	£	£
Deposit account interest	<u>2,225</u>	<u>1,053</u>

4. RAISING FUNDS

Raising donations and legacies

	2020	2019
	£	£
Staff costs	62,219	33,136
Rent, service charges and rates	10,171	10,417
Insurance	744	730
Telephone	951	1,117
Postage and stationery	6,554	4,044
Subscriptions	2,051	3,250
Fundraising event costs	76,964	136,202
Advertising	4,389	3,705
TV channels and radio appeal costs	36,483	23,950
Travelling and subsistence	25,197	25,846
Bank and credit card charges	21,051	9,776
Depreciation	5,101	6,335
	<u>251,875</u>	<u>258,508</u>

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6) £
Donations paid to beneficiaries	<u>1,120,550</u>

6. GRANTS PAYABLE

	2020	2019
	£	£
Donations paid to beneficiaries	<u>1,120,550</u>	<u>1,041,000</u>

The total grants paid to institutions during the year was as follows:

	2020	2019
	£	£
Donations	<u>1,120,550</u>	<u>1,041,000</u>

KASHMIR ORPHAN RELIEF TRUST
NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 October 2020

7. SUPPORT COSTS

	Governance costs
	£
Other resources expended	<u>6,060</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 October 2020 nor for the year ended 31 October 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 October 2020 nor for the year ended 31 October 2019.

9. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	61,392	32,874
Other pension costs	<u>827</u>	<u>262</u>
	<u>62,219</u>	<u>33,136</u>

The average monthly number of employees during the year was as follows:

	2020	2019
Staff	<u>3</u>	<u>2</u>

No employees received emoluments in excess of £60,000.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,689,110	-	1,689,110
Investment income	<u>1,053</u>	<u>-</u>	<u>1,053</u>
Total	1,690,163	-	1,690,163
EXPENDITURE ON			
Raising funds	258,508	-	258,508
Charitable activities			
Donations paid to beneficiaries	1,041,000	-	1,041,000
Other	<u>4,940</u>	<u>-</u>	<u>4,940</u>
Total	1,304,448	-	1,304,448
NET INCOME	<u>385,715</u>	<u>-</u>	<u>385,715</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	679,037	-	679,037
TOTAL FUNDS CARRIED FORWARD	<u>1,064,752</u>	<u>-</u>	<u>1,064,752</u>

KASHMIR ORPHAN RELIEF TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 October 2020

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Office equipment £	Totals £
COST				
At 1 November 2019	2,129	25,100	11,820	39,049
Additions	-	-	344	344
At 31 October 2020	2,129	25,100	12,164	39,393
DEPRECIATION				
At 1 November 2019	1,181	5,020	8,585	14,786
Charge for year	190	4,016	895	5,101
At 31 October 2020	1,371	9,036	9,480	19,887
NET BOOK VALUE				
At 31 October 2020	758	16,064	2,684	19,506
At 31 October 2019	948	20,080	3,235	24,263

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	-	88,726
Prepayments	4,167	1,000
Accrued income	8,795	-
	12,962	89,726

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	2,083	2,825
Taxation and social security	145	-
Other creditors	10,666	10,458
	12,894	13,283

14. MOVEMENT IN FUNDS

	At 1.11.19 £	Net movement in funds £	At 31.10.20 £
Unrestricted funds			
General fund	1,064,752	1,919,301	2,984,053
Restricted funds			
Restricted	-	7,150	7,150
TOTAL FUNDS	1,064,752	1,926,451	2,991,203

KASHMIR ORPHAN RELIEF TRUST
NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 October 2020

14. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,619,637	(700,336)	1,919,301
Restricted funds			
Restricted	685,299	(678,149)	7,150
TOTAL FUNDS	<u>3,304,936</u>	<u>(1,378,485)</u>	<u>1,926,451</u>

Comparatives for movement in funds

	At 1.11.18 £	Net movement in funds £	At 31.10.19 £
Unrestricted funds			
General fund	679,037	385,715	1,064,752
TOTAL FUNDS	<u>679,037</u>	<u>385,715</u>	<u>1,064,752</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,690,163	(1,304,448)	385,715
TOTAL FUNDS	<u>1,690,163</u>	<u>(1,304,448)</u>	<u>385,715</u>

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 October 2020.

KASHMIR ORPHAN RELIEF TRUST
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 October 2020

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	2,981,932	1,512,786
Gift aid	320,779	176,324
	<u>3,302,711</u>	<u>1,689,110</u>
Investment income		
Deposit account interest	2,225	1,053
Total incoming resources	<u>3,304,936</u>	<u>1,690,163</u>
EXPENDITURE		
Raising donations and legacies		
Wages	61,392	32,874
Pensions	827	262
Rent, service charges and rates	10,171	10,417
Insurance	744	730
Telephone	951	1,117
Postage and stationery	6,554	4,044
Subscriptions	2,051	3,250
Fundraising event costs	76,964	136,202
Advertising	4,389	3,705
TV channels and radio appeal costs	36,483	23,950
Travelling and subsistence	25,197	25,846
Bank and credit card charges	21,051	9,776
Depreciation of fixtures and fittings	190	237
Depreciation of motor vehicles	4,016	5,020
Depreciation of office equipment	895	1,078
	<u>251,875</u>	<u>258,508</u>
Charitable activities		
Grants to institutions	1,120,550	1,041,000
Support costs		
Governance costs		
Auditors' remuneration	3,900	3,900
Accountancy fees	2,160	1,040
	<u>6,060</u>	<u>4,940</u>
Total resources expended	<u>1,378,485</u>	<u>1,304,448</u>
Net income	<u><u>1,926,451</u></u>	<u><u>385,715</u></u>

This page does not form part of the statutory financial statements

