
THE BORNO FOUNDATION

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

THE BORNO FOUNDATION

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THE BORNO FOUNDATION

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees	Mr Emad Borno, Chairman (Resigned 6 January 2022) Mr Hamish Borno Miss Hannah Borno Ms Zahra Akkerhuys
Charity registered number	1129914
Principal office	124 Newland Street Witham CM8 1BA
Accountants	Peters Elworthy & Moore Chartered Accountants Salisbury House Station Road Cambridge CB1 2LA
Bankers	Barclays 320 New North Road Hainault Ilford IG6 3BU

THE BORNO FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees submit their annual report and the financial statements of The Borno Foundation (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 (SORP) 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

a. Policies and objectives

The Trustees may apply the income of the Foundation to charities or for charitable purposes in order to further the objectives of the Charity.

All manner of charitable causes are supported, with the main beneficiaries being charities in the following areas:

- The relief or prevention of poverty or financial hardship.
- The relief of sick and provision of medical aid.
- The relief and assistance of victims of war, natural disaster or catastrophe.
- The advancement of education and training.

The Trustees have considered the Charity Commission's guidance on the operation of public benefit under the Charities Act 2011 and consider that the requirements have been met.

b. Activities undertaken to achieve objectives

The Foundation make grants to other charitable causes within the UK in order to provide them with funds to complete their work.

Achievements and performance

a. Review of activities

During the year the charity made grants and donations of £32,455 (2020: £16,506) to 18 (2020: 14) organisations, the details of which are shown in the notes to the accounts.

The Trustees have undertaken a revaluation of the investment properties, see note 9 for details.

Financial review

a. Financial review

The majority of the Charity's income is derived from rental of the investment property. In addition, a small amount of interest is received from cash held on deposit. The income for the year allowed the charity to make donations in addition to covering the running costs of the investment property during the year.

All of the Foundation's income and expenditure in the year was unrestricted.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

b. Reserves policy

The Trustees are satisfied that the level of reserves, currently £1,517,442 (2020: £1,296,101) are adequate to meet the objects of the charity. The reserves excluding tangible fixed assets and fixed/current asset investments were £487,442 (2020: £210,442), which is approximately equivalent to 10 years expenditure and these reserves enable the Foundation to make grants and donations in excess of their annual income should the need arise.

Structure, governance and management

a. Constitution

The Charity was formed by a Trust Deed dated 17 March 2009. The Trustees set out the general policy of the charity.

b. Methods of appointment or election of Trustees

The Foundation was given charitable status on 1 June 2009. The following Trustees served during the current year:

Mr Emad Borno (Chairman)
Mr Hamish Borno
Miss Hannah Rebecca Borno
Zahra Akkerhuys

Further Trustees must be appointed by the current Trustees by a resolution passed at a special meeting as detailed in the Trust Deed.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report 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 & 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 its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 adequate accounting records that are sufficient to show and explain the Charity's transactions and 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.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Hamish Borno

.....
Mr Hamish Borno

Date: 26 September 2022

THE BORNO FOUNDATION

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Independent Examiner's Report to the Trustees of The Borno Foundation ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2021.

Responsibilities and Basis of Report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 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 the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Your attention is drawn to the fact that the Charity has prepared the accounts 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content 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.

THE BORNO FOUNDATION

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

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. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Warren Tilbury

Signed:

W Tilbury

Peters Elworthy & Moore
Chartered Accountants
Cambridge

Dated: 26 September 2022

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THE BORNO FOUNDATION

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

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Investments	2	45,484	45,484	53,707
Total income		<u>45,484</u>	<u>45,484</u>	<u>53,707</u>
Expenditure on:				
Raising funds	3	12,567	12,567	8,168
Charitable activities	4	33,576	33,576	17,016
Total expenditure		<u>46,143</u>	<u>46,143</u>	<u>25,184</u>
Net gains on investments		230,000	230,000	-
Net movement in funds before other recognised gains/(losses)		<u>229,341</u>	<u>229,341</u>	<u>28,523</u>
Other recognised gains/(losses):				
Losses on revaluation of fixed assets		(8,000)	(8,000)	-
Net movement in funds		<u>221,341</u>	<u>221,341</u>	<u>28,523</u>
Reconciliation of funds:				
Total funds brought forward		1,296,101	1,296,101	1,267,578
Net movement in funds		221,341	221,341	28,523
Total funds carried forward		<u>1,517,442</u>	<u>1,517,442</u>	<u>1,296,101</u>

In 2021 all income, expenditure and funds was unrestricted.

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 9 to 15 form part of these financial statements.

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**BALANCE SHEET
AS AT 31 DECEMBER 2021**

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	8	-			8,000
Investment property	9	1,030,000			800,000
		1,030,000			808,000
Current assets					
Investments	10	-		277,659	
Cash at bank and in hand		488,498		211,402	
		488,498		489,061	
Creditors: amounts falling due within one year	11	(1,056)		(960)	
Net current assets			487,442		488,101
Total net assets			1,517,442		1,296,101
Charity funds					
Restricted funds			-		-
Unrestricted funds			1,517,442		1,296,101
Total funds			1,517,442		1,296,101

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Hamish Borno

.....
Mr Hamish Borno

Date: 26 September 2022

The notes on pages 9 to 15 form part of these financial statements.

THE BORNO FOUNDATION

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

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements 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) and the Charities Act 2011.

The Borno Foundation meets the definition of a public benefit entity under FRS 102.

There were no significant estimates or judgements made by management in preparing these financial statements.

1.2 Going concern

In approving these financial statements, the Trustees have assessed whether the use of the going concern basis is appropriate and whether there are any material uncertainties related to events or conditions that may cast a significant doubt on the ability of the Charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of approval of the financial statements.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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

1. Accounting policies (continued)**1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity.

Expenditure on 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.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

Expenditure on raising funds represents costs incurred on the investment property.

Grants and donations are recognised in the year in which the payment is made.

All expenditure is inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- Straight line over 50 years once the property is brought into use
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1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

THE BORNO FOUNDATION

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

1. Accounting policies (continued)

1.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

1.10 Financial instruments

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.

2. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Rental income	45,484	45,484	50,182
Bank and building society interest	-	-	3,525
	<u>45,484</u>	<u>45,484</u>	<u>53,707</u>

3. Expenditure on raising funds

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Expenditure on investment property	12,567	12,567	8,168
	<u>12,567</u>	<u>12,567</u>	<u>8,168</u>

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

4. Analysis of expenditure by activities

	Donations 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable activities	32,455	1,121	33,576	17,016
	<u>32,455</u>	<u>1,121</u>	<u>33,576</u>	<u>17,016</u>

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Bank charges	65	-
Independent Examiner's fees	1,056	960
	<u>1,121</u>	<u>960</u>

THE BORNO FOUNDATION

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

5. Analysis of donations

	Donations to Institutions 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	32,455	32,455	16,056

The Charity has made the following material (over £1,000) donations to institutions during the year:

Name of institution	2021 £	2020 £
Harwich Connexions Community Trust	-	1,309
Havens Hospices	-	1,087
Magic for Smiles	-	5,000
RNLI	563	1,029
St Joseph's Childrens Hospice	917	1,018
The Scouts	-	1,309
Braintree Youth Project Charity	1,186	458
North Essex Support Team	2,760	-
Palestine Medical Relief Society	18,385	-
Witham Community Hub	1,179	-
Disaster Emergency Committee - Coronavirus Appeal	2,000	-
	26,990	11,210
Other donations to institutions	5,465	4,846
	32,455	16,056

6. Independent examiner's remuneration

	2021 £	2020 £
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	400	360
Fees payable to the Charity's independent examiner in respect of:		
All other services not included above	656	600

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

7. Trustees' remuneration and expenses

The Charity considers its key management personnel to be the Trustees. The Trustees all give their time and expertise without any kind of remuneration or other benefits in kind (2020: £nil).

During the year ended 31 December 2021, no Trustee expenses have been incurred or have been paid directly to a third party on their behalf (2020: £nil).

8. Tangible fixed assets

	Freehold property £
Cost or valuation	
At 1 January 2021	8,000
Impairment	(8,000)
	<hr/>
At 31 December 2021	-
	<hr/>
Net book value	
At 31 December 2021	-
	<hr/> <hr/>
At 31 December 2020	8,000
	<hr/> <hr/>

The Trustees reviewed the value of the freehold property in 2021 and on the basis of other similar properties and condition, they deemed the carrying value in the accounts to be fully impaired. The Trustees did not seek a professional valuation, but based this assessment on their knowledge of the local market. An impairment adjustment has been included in these accounts.

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

9. Investment property

	Freehold investment property £
Valuation	
At 1 January 2021	800,000
Surplus on revaluation	230,000
	<hr/>
At 31 December 2021	1,030,000
	<hr/> <hr/>

Subsequent to the year end the Trustees instructed a professional valuation of the properties. The valuation was £1,030,000 and the Trustees do not consider there to be a material movement between the 31 December 2021 and the valuation date. The valuation was conducted by TBH Surveyors on an open market basis.

10. Current asset investments

	2021 £	2020 £
Cash held on deposit	-	277,659
	<hr/> <hr/>	<hr/> <hr/>

11. Creditors: Amounts falling due within one year

	2021 £	2020 £
Accruals	1,056	960
	<hr/> <hr/>	<hr/> <hr/>

12. Related party transactions

The Charity has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charity at 31 December 2021.