

Charity registration number 1136317 (England and Wales)

AKHUWAT (UK) TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

AKHUWAT (UK) TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Dr M A Javed Mr Omar Chaudhry Mr Izhar Ul Haq Hashmi
Charity number	1136317
Registered office	540 Valence Avenue Dagenham Essex England RM8 3QH
Accountants	BK Plus Limited 2 Highlands Court Cranmore Avenue Shirley Solihull West Midlands B90 4LE

AKHUWAT (UK) TRUST

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AKHUWAT (UK) TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

Akhuwat (UK) Trust has a number of charitable objectives. They are as follows:

To relieve financial hardship among the poor, the underprivileged, victims of natural and manmade disasters and people in need in the UK and Pakistan by means of, but not exclusively, making grants or loans for providing or payment for items, equipment, services and facilities for the benefit of said persons.

Significant activities undertaken

In the financial year 2023/24, the charity continued its strategy from the previous year to increase awareness and on-the-ground fundraising.

Several official events were conducted across the UK, Europe (France, Spain, Sweden, Norway, Denmark, Switzerland), Australia, the UAE, and the USA.

For most of these events, the costs were primarily borne by the Akhuwat UK entity, while the majority of the donations were directed to Akhuwat Pakistan.

Building on the strategy from 2022/23, the charity further invested in its online platforms to expand digital solutions and streamline Gift Aid processing.

Despite the significant scale of operations and the rise in donation volumes, no formal employees were hired. Instead, the charity purposefully chose to run its operations through temporary consultants and volunteers.

Financial review

The charity recorded strong income of £463K, driven by a refreshed digital strategy and numerous fundraising events.

The fundraising events incurred some travel, catering, and consultancy expenses, amounting to £216K. These expenses were approved by the Trustees and included:

- Cross-border transactions such as flights, accommodation, and local travel
- Events organized to raise awareness, provide support, and facilitate fundraising for Akhuwat Pakistan
- Regular visits authorised by the Board of Trustees to Europe (France, Spain, Sweden, Norway, Denmark, Switzerland), Australia, the UAE, and the USA to expand Akhuwat's reach
- Support, training, and oversight were provided to Pakistani diaspora volunteers in each location, aligning with Akhuwat's Pakistan-specific initiatives and campaigns.

Most of these travels yielded positive outcomes for Akhuwat Pakistan, as well as mobilising support groups in the respective countries, thereby reducing the need for similar travels in the future.

As part of our on-going efforts to support Akhuwat Pakistan a total contribution of £115,000 was made to support our overall charity objectives.

AKHUWAT (UK) TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Plans for future periods

As highlighted in the previous year's accounts, the charity is reaching a stage where most of the necessary investments to raise awareness within the UK and globally have been completed.

In 2024, the charity finalised the implementation of new CRM systems to streamline operations and improve efficiency. Enhanced financial risk management measures were also introduced, including:

- Hiring of a management accountant to oversee expenses.
- Introduction of a new expense policy to ensure greater accountability.

Additionally, most card transactions were eliminated from Autumn 2024 to improve transparency in daily operations.

Looking ahead, the organisation plans to adopt a more selective approach to sponsoring international fundraising events, with a strategic focus on the Middle East rather than other regions.

Structure, governance and management

The charity's activities are governed by a trust deed dated April 2010.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Dr M A Javed

Mr Omar Chaudhry

Mr Izhar Ul Haq Hashmi

New trustees must be appointed by a resolution passed by the Board. Any new trustee must be of the age 18 or over and must not be disqualified from holding office under the Charities Act of 1993.

The Trustees' report was approved by the Board of Trustees.

Dr M A Javed
Trustee



30 January 2025

Mr Omar Chaudhry
Trustee



AKHUWAT (UK) TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AKHUWAT (UK) TRUST

I report to the Trustees on my examination of the financial statements of Akhuwat (UK) Trust (the charity) for the year ended 31 March 2024.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements 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 now been withdrawn. I understand that this has been done in order for the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

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 Charities Act 2011.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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 financial statements to be reached.

Paul Mannion

BK Plus

Chartered Certified Accountants

2 Highlands Court
Cranmore Avenue
Shirley
Solihull
West Midlands
B90 4LE

Dated: 30 January 2025

AKHUWAT (UK) TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Donations and legacies	3	162,791	478,315
Other trading activities	4	300,385	485,536
Total income		463,176	963,851
Expenditure on:			
Raising funds	5	283,504	353,437
Charitable activities	6	270,141	345,260
Total expenditure		553,645	698,697
Net income/(expenditure) and movement in funds		(90,469)	265,154
Reconciliation of funds:			
Fund balances at 1 April 2023		270,763	5,609
Fund balances at 31 March 2024		180,294	270,763

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

AKHUWAT (UK) TRUST

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Current assets					
Debtors	12	43,662		49,378	
Cash at bank and in hand		140,052		223,659	
		<u>183,714</u>		<u>273,037</u>	
Creditors: amounts falling due within one year	13	<u>(3,420)</u>		<u>(2,274)</u>	
Net current assets			<u>180,294</u>		<u>270,763</u>
The funds of the charity					
Unrestricted funds	14		<u>180,294</u>		<u>270,763</u>
			<u>180,294</u>		<u>270,763</u>

The financial statements were approved by the Trustees on 30 January 2025

Dr M A Javed
Trustee



Mr Omar Chaudhry
Trustee



AKHUWAT (UK) TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	17		(83,607)		221,179
Net cash generated from investing activities			-		-
Net cash generated from financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(83,607)		221,179
Cash and cash equivalents at beginning of year			223,659		2,480
Cash and cash equivalents at end of year			140,052		223,659

AKHUWAT (UK) TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

The Charity is registered as a Trust in accordance with the requirements of the Charities Act. The Charity's trust deed is dated 14 April 2010 and was amended on 12 October 2017. The Charity was registered on the Central Register of Charities on 10 June 2010.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

AKHUWAT (UK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the income levels received.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

AKHUWAT (UK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Individual donations	132,056	164,816
Organisational donations	30,735	85,642
Legacy donations	-	227,857
	<u>162,791</u>	<u>478,315</u>

4 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising events	<u>300,385</u>	<u>485,536</u>

5 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Fundraising costs associated with events held	216,514	233,105
Other fundraising costs	11,511	19,691
Support costs	45,325	100,641
Governance costs	10,154	
	<u>283,504</u>	<u>353,437</u>

AKHUWAT (UK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

6 Expenditure on charitable activities

	Charitable activity 2024 £	Charitable activity 2023 £
Direct costs		
Donations - Akhuwat	115,000	190,000
Donations - Other	400	-
	<u>115,400</u>	<u>190,000</u>
Share of support and governance costs (see note 7)		
Support	149,274	141,451
Governance	5,467	13,809
	<u>270,141</u>	<u>345,260</u>
Analysis by fund		
Unrestricted funds	<u>270,141</u>	<u>345,260</u>

7 Support and governance costs allocated to activities

	2024 £	2023 £
	-	68,750
Advertising	42,000	19,215
Consultancy fees	124,868	141,451
Platform fees	14,757	4,216
Bank charges	2,323	748
Telephone fees	390	288
IT costs	8,233	593
Printing, Postage & Stationery	-	4,415
Sundry expenses	2,028	2,416
Governance costs	15,621	13,809
	<u>210,220</u>	<u>255,901</u>
Analysed between:		
Fundraising	55,479	100,641
Charitable activity	154,741	155,260
	<u>210,220</u>	<u>255,901</u>

AKHUWAT (UK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Support and governance costs allocated to activities (Continued)

	2024 £	2023 £
Governance costs comprise:		
Consultancy fees	11,055	11,295
Accountancy	4,566	2,514
	<u>15,621</u>	<u>13,809</u>

8 Net movement in funds

	2024 £	2023 £
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The net movement in funds is stated after charging/(crediting):

Fees payable for the independent examination of the charity's financial statements	<u>3,420</u>	<u>3,420</u>
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9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Total	<u>-</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	25,045	42,779
Prepayments and accrued income	18,617	6,599
	<u>43,662</u>	<u>49,378</u>

AKHUWAT (UK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

13 Creditors: amounts falling due within one year

	2024 £	2023 £
Accruals and deferred income	3,420	2,274

14 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	270,763	463,176	(553,645)	180,294
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	5,609	963,851	(698,697)	270,763

15 Parent Charity

The ultimate charitable parent is Akhuwat, a charity registered in Pakistan. The Charitable Parent's address is 19 Civic Center, Sector A2, Township, Lahore, Pakistan.

16 Related party transactions

Transactions with related parties

The charity is controlled by the Board of Trustees and the parent charity, Akhuwat, a charity registered in Pakistan, whose purpose and activities are equal to Akhuwat (UK) Trust. During the year, none of the Trustees undertook any transactions with Akhuwat (UK) Trust.

During the year the charity entered into the following transactions with related parties:

	Unrestricted funds	
	2024 £	2023 £
Donations to parent - Akhuwat	115,000	190,000
Donations received from Akhuwat Sweden	30,785	60,295
	84,215	129,705

AKHUWAT (UK) TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

17	Cash (absorbed by)/generated from operations	2024 £	2023 £
	(Deficit)/surplus for the year	(90,469)	265,154
	Movements in working capital:		
	Decrease/(increase) in debtors	5,716	(45,295)
	Increase in creditors	1,146	1,320
	Cash (absorbed by)/generated from operations	(83,607)	221,179

18 **Analysis of changes in net funds**

The charity had no material debt during the year.