

**Report of the Trustees and  
Financial Statements for the Year Ended 31 July 2021  
for  
LIA RELIEF TRUST**

SKM Chartered Accountants  
Pegasus House  
5 Winckley Court  
Mount Street  
Preston  
Lancashire  
PR1 8BU

**LIA RELIEF TRUST**  
**Contents of the Financial Statements**  
**FOR THE YEAR ENDED 31 JULY 2021**

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# **LIA RELIEF TRUST**

## **Report of the Trustees FOR THE YEAR ENDED 31 JULY 2021**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2021. 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**

##### **Vision**

LIA relief trust is a global charity working to transform the lives of people not only from our local community in the UK, but also from the poorest communities around the world. As a charity informed by broad Islamic values, we believe that all people are treasures through whom we can inspire a new, brighter future for all of our communities and our wider world.

The charities objectives are:

##### **Financial**

To relieve financial hardship, distress and suffering among poor people, victims of natural and man-made disasters and other people in need, by means of, but not exclusively, making grants or loans for providing or paying for items, equipment, services, and facilities, including the establishment of food banks for the benefit of those in need.

##### **Educational**

To advance education for the benefit of the poor, the underprivileged and the public by means of, but not exclusively, the provision or the assistance in the provision of educational equipment and activities, and the provision of training and resources to schoolteachers in order to enhance their quality of teaching.

##### **Health**

To relieve sickness and to preserve good health among the poor, underprivileged and people in need by means of, but not exclusively, the provision or assistance in the provision of health education and the assistance in the research of treatments of diseases for the benefit of those in need.

##### **Religious**

To advance the religion of Islam, by means of, but not exclusively, promoting the teachings and tenets of Islam, assistance in the provision of facilities for worship and Islamic education, in accordance with the teachings of the Quran and Sunnah of the Prophet Muhammad (PBUH).

# LIA RELIEF TRUST

## Report of the Trustees FOR THE YEAR ENDED 31 JULY 2021

### OBJECTIVES AND ACTIVITIES

#### Significant activities

The charity continues to receive high levels of support and donations from the public as shown by the significant levels of donations received. The charity continues to carry out relief and development work in disaster and conflict hit areas of the world, resulting in greater provision of emergency aid to the poverty-stricken people of those areas. The resources expended this year were £2.1 mil, compared to £1.3 mil last year even with the sustained effects of the COVID-19 pandemic.

The charity continues to focus on various projects and aid programmes working alongside many renowned charities over the past year supporting not just causes locally but on a global level as follows

Country	Projects/Services	Details
Syria (Safe Zones)	Construction	Concrete shelters for the displaced Mosques for new communities LIA residential village for Internally Displaced People (IDP's) - underway
	Medical/Health	Psychotherapy clinic for children affected by war and suffering from trauma Physiotherapy clinic for children and adults injured during the conflict
	Sponsorships	Orphan sponsorships Educational sponsorships for children to attend school Sponsoring students to memorise the Qur'an
	Food Aid	Distribution of food packs to IDPs Food assistance in Ramadan
Turkey / Syria Border	Shelters/Winter/Food	Shelters and home provisions for refugees Winter packs containing fuel, blankets, heaters etc. distributed to the needy Food pack distributions throughout the year
Lebanon (Syrian Refugees)	Winter Aid	Winter packs containing fuel, blankets, heaters etc. distributed to Syrian
	Food Aid	Food packs for Syrian refugees Food bank provisions
Lebanon (Palestinian Refugees)	Winter Aid	Winter packs containing fuel, blankets, heaters etc. distributed to
	Food Aid	Food packs for Syrian refugees Food bank provisions
Yemen	Medical	Sponsorship of a malnourishment treatment clinic
	Food Aid	Food pack distributions Bread factory sponsorship Freshly prepared hot meals for IDPs
	Water Aid	Solar powered water wells
	Sponsorships	Orphan sponsorships
Palestine / Gaza	Medical	Medicine supplies to hospitals
	Health/Sanitation	Providing water de-salinisation units
	Food Aid	Food pack distributions Freshly prepared hot meals Provisions for iftar in Ramadan
	Winter Aid	Winter packs containing fuel, blankets, heaters etc. distributed to the needy
	Income Generation	Livelihood project - planting olive trees to aid breadwinners earn

# LIA RELIEF TRUST

## Report of the Trustees FOR THE YEAR ENDED 31 JULY 2021

### OBJECTIVES AND ACTIVITIES

	Sponsorships	Orphan sponsorships
<b>Jordan (Palestinian Refugees)</b>	Shelters/Food	Rebuilding homes for Palestinian refugees Food aid for Palestinian refugees
<b>Malawi</b>	Food Aid	Food pack distributions Provisions for iftar in Ramadan
	Income Generation	Providing a poor family with Goats to earn a livelihood -Goat milk can be utilised, and surplus milk can be sold to generate an income -Families are taught how to look after the animals to ensure successful reproduction -Families will have long-term financial security through the reproduction of the goats
<b>Bangladesh (Locals)</b>	Education	Support for schools and madrasahs Madrasah construction, providing literacy provisions to children Support Imams and students in the madrasahs built by the charity
	Medical	Cataract clinic sponsorship Postnatal clinic sponsorship
	Food Aid	Food pack distributions Freshly prepared hot meals
	Financial Assistance	Support poor Imams and scholars
	Income Generation	Boats for life project -Provide a family with a Boat, Net, Life Jackets and Training -32% of Bangladeshis live below the national poverty line according to the UN WFP -The perennial availability of water in rivers and wetlands provides critical sources of income and nutrition for millions of Bangladeshis -Families are identified according to a robust needs assessment -We constantly monitor and assess delivery of the project -This project is also beneficial in providing access to school for children during the monsoon season
<b>Bangladesh (Rohingya Refugee)</b>	Education	Supporting schools and madrasahs Madrasah construction, providing literacy provisions to children Supporting Imams and students in the madrasahs built by the Charity
	Medical	Cataract clinic sponsorship Postnatal clinic sponsorship
	Food Aid	Food pack distributions Freshly prepared hot meals
	Financial Assistance	Supporting poor Imams and scholars
	Income Generation	Boats for life project -Provide a family with a Boat, Net, Life Jackets and Training -32% of Bangladeshis live below the national poverty line according to the UN WFP

# LIA RELIEF TRUST

## Report of the Trustees FOR THE YEAR ENDED 31 JULY 2021

### OBJECTIVES AND ACTIVITIES

		<ul style="list-style-type: none"> <li>-The perennial availability of water in rivers and wetlands provides critical sources of income and nutrition for millions of Bangladeshis</li> <li>-Families are identified according to a robust needs assessment</li> <li>-We constantly monitor and assess delivery of the project</li> <li>-This project is also beneficial in providing access to school for children during the monsoon season</li> </ul>
<b>India</b>	Construction	<ul style="list-style-type: none"> <li>Building homes/shelters for refugees</li> <li>Building education centres for remote communities</li> <li>Providing vocational training courses to youth to enable them to gain employment</li> </ul>
	Education	<ul style="list-style-type: none"> <li>Facilitating apprenticeships for poor students, enabling them to earn a living and gain skills simultaneously</li> </ul>
	Medical	<ul style="list-style-type: none"> <li>Providing medicinal supplies to hospitals</li> <li>Supplying hospitals with medical equipment, ventilators etc.</li> </ul>
	Food Aid	<ul style="list-style-type: none"> <li>Food pack distributions</li> <li>Freshly prepared hot meals</li> <li>Provisions for iftar in Ramadan</li> <li>Food packs to the vulnerable and elderly for COVID related difficulties</li> </ul>
	Water Aid	<ul style="list-style-type: none"> <li>Water wells to provide access to clean drinking water in Assam</li> </ul>
	Income Generation	<ul style="list-style-type: none"> <li>Sewing classes to empower women from poor families</li> <li>Providing rickshaws for males from poor families</li> </ul>
<b>Burundi</b>	Food	<ul style="list-style-type: none"> <li>Assisting those impacted the most in the hunger crisis with food packs</li> <li>Freshly prepared hot meals</li> <li>Providing 100 school students who are orphans three daily meals</li> </ul>
	Education	<ul style="list-style-type: none"> <li>Providing annual funding for LIA school</li> </ul>
<b>United Kingdom</b>	Medical/Health	<ul style="list-style-type: none"> <li>Support those suffering from cancer</li> <li>Assist with hospital equipment</li> <li>Helping the homeless through temporary accommodation, clothing, and food</li> <li>Assist end-of-life adult patients suffering from terminal illnesses</li> <li>Assist children recovering from trauma caused by sexual abuse and exploitation.</li> </ul>
	COVID	<ul style="list-style-type: none"> <li>Lead organisation in co-ordinating food packs to the elderly and vulnerable during COVID lockdown.</li> </ul>

## **LIA RELIEF TRUST**

### **Report of the Trustees FOR THE YEAR ENDED 31 JULY 2021**

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#### **STRATEGIC REPORT**

##### **Financial position**

During the year the charity raised £2,112,244 (2020: £1,311,690) in direct donations from the general public to carry out the programmes mentioned above. During the year £1,782,109 (2020: £1,321,400) was used on aid programmes.

The charity continues to work closely with a number of partner organisations in providing aid to the needy and, most of the above expenditure was spent with these partner organisations.

As shown on page 11, £1,921,504 (2020: £1,133,170) from the restricted funds was expensed for specific projects.

A small amount was raised with no restrictions and has been used in the administration of the charity. The income tax recoverable from Gift Aid, continue to provide the charity with sufficient funds to carry out its charitable objectives.

##### **Reserves policy**

We aim to utilise the funds as it receives within a year of receiving them. Reserves are held for long term projects and for responding to emergencies and disasters.

At 31 July 2021 a large proportion of the reserves were earmarked for ongoing long term projects and it should be noted that the projects now being delivered by the charity are longer term, such as the orphan and widows projects, constructions, water facilitation etc. which require reserves to be held over a longer period.

The unrestricted funds the charity holds is to ensure that it has sufficient reserves to cover the costs of managing and administering the charity for the following year. At the end of each financial year the trustees critically appraise this level and transfer any excess to where it is most needed in terms of aid.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### **Organisational structure**

The board of Trustees of the charity are responsible for the charity's strategic direction. The board of Trustees meet on a termly basis to discuss the activities of the charity.

The board of trustees is supported through the aid of volunteers who manage the daily running of the charity.

##### **Related parties**

The Charity has the following linked charities by virtue of common trustees:

Leicester Islamic Academy (Charity No. 702652)

The Leicester Islamic Academy Trust (Charity No. 1143373 / Company No. 7595563)

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

08615705 (England and Wales)

##### **Registered Charity number**

1156537

##### **Registered office**

320 London Road  
Leicester  
LE2 2PJ

## **LIA RELIEF TRUST**

### **Report of the Trustees FOR THE YEAR ENDED 31 JULY 2021**

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#### **Trustees**

A Patas  
A Patel  
A Mahomed  
S Musa  
M H Mukadam  
M A Makadam  
H Suleman  
I Desai

#### **Auditors**

SKM Chartered Accountants  
Pegasus House  
5 Winckley Court  
Mount Street  
Preston  
Lancashire  
PR1 8BU

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of LIA Relief Trust for the purposes of company law) 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).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### **AUDITORS**

The auditors, SKM Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.



**LIA RELIEF TRUST**

**Report of the Trustees  
FOR THE YEAR ENDED 31 JULY 2021**

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Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 29 March 2022 and signed on the board's behalf by:

M A Makadam - Trustee

**Report of the Independent Auditors to the Members of  
LIA Relief Trust**

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**Opinion**

We have audited the financial statements of LIA Relief Trust (the 'charitable company') for the year ended 31 July 2021 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 charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006.

**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 charitable company 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**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**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 this gives rise to a material misstatement in the financial statements themselves. 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.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of LIA Relief Trust**

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to both the charity itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the trustees and other management. The most significant were identified as the Charities Act 2011 and the Charities SORP (FRS102).

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements.

Our audit procedures included:

- enquiring from trustees and management where they consider the charity to be susceptible to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or noncompliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud.

Whilst our audit did not identify any significant matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of  
LIA Relief Trust**

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**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shamim Mahomed (Senior Statutory Auditor)  
for and on behalf of SKM Chartered Accountants  
Pegasus House  
5 Winckley Court  
Mount Street  
Preston  
Lancashire  
PR1 8BU

29 March 2022

## LIA RELIEF TRUST

Statement of Financial Activities  
FOR THE YEAR ENDED 31 JULY 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	190,740	1,921,504	2,112,244	1,311,690
<b>EXPENDITURE ON</b>					
Raising funds	3	29,663	-	29,663	39,858
<b>Charitable activities</b>					
Donations	4	94,269	1,779,069	1,873,338	1,439,570
Other		304	-	304	-
<b>Total</b>		124,236	1,779,069	1,903,305	1,479,428
<b>NET INCOME/(EXPENDITURE)</b>		66,504	142,435	208,939	(167,738)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		240,180	503,685	743,865	911,603
<b>TOTAL FUNDS CARRIED FORWARD</b>		306,684	646,120	952,804	743,865

The notes form part of these financial statements

## LIA RELIEF TRUST

Balance Sheet  
31 JULY 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	11	617	-	617	-
<b>CURRENT ASSETS</b>					
Debtors	12	18,725	-	18,725	94,266
Cash at bank		304,516	646,120	950,636	662,809
		<u>323,241</u>	<u>646,120</u>	<u>969,361</u>	<u>757,075</u>
<b>CREDITORS</b>					
Amounts falling due within one year	13	(17,174)	-	(17,174)	(13,210)
<b>NET CURRENT ASSETS</b>		<u>306,067</u>	<u>646,120</u>	<u>952,187</u>	<u>743,865</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>306,684</u>	<u>646,120</u>	<u>952,804</u>	<u>743,865</u>
<b>NET ASSETS</b>		<u>306,684</u>	<u>646,120</u>	<u>952,804</u>	<u>743,865</u>
<b>FUNDS</b>	14				
Unrestricted funds				306,684	240,180
Restricted funds				646,120	503,685
<b>TOTAL FUNDS</b>				<u>952,804</u>	<u>743,865</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 29 March 2022 and were signed on its behalf by:

H Suleman - Trustee

## LIA RELIEF TRUST

**Cash Flow Statement**  
**FOR THE YEAR ENDED 31 JULY 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	288,748	(253,310)
Net cash provided by/(used in) operating activities		<u>288,748</u>	<u>(253,310)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(921)	-
Net cash (used in)/provided by investing activities		<u>(921)</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>287,827</u>	<u>(253,310)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>662,809</u>	<u>916,119</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>950,636</u></u>	<u><u>662,809</u></u>

The notes form part of these financial statements

# LIA RELIEF TRUST

## Notes to the Cash Flow Statement FOR THE YEAR ENDED 31 JULY 2021

### 1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	208,939	(167,738)
Adjustments for:		
Depreciation charges	304	-
Decrease/(increase) in debtors	75,541	(89,941)
Increase in creditors	3,964	4,369
Net cash provided by/(used in) operations	<u>288,748</u>	<u>(253,310)</u>

### 2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/8/20 £	Cash flow £	At 31/7/21 £
Net cash			
Cash at bank	662,809	287,827	950,636
	<u>662,809</u>	<u>287,827</u>	<u>950,636</u>
Total	<u>662,809</u>	<u>287,827</u>	<u>950,636</u>

The notes form part of these financial statements



**Notes to the Financial Statements  
FOR THE YEAR ENDED 31 JULY 2021**

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

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Charity meets the definition of a public entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The functional currency of the charity is considered to be pounds sterling because that is the currency of the primary economic environment in which the Charity operates. The financial statements are also presented in pounds sterling. The amounts in the financial statements are presented to the nearest £1, unless otherwise stated.

The preparation of the financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the charity's accounting policies. There are no significant areas requiring material judgements, estimates or assumptions.

**Going Concern**

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Financial Review.

**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 and legacies:** This comprises all incoming resources from donations collected directly or by volunteers and income from fundraising events during the year. Gift Aid tax recoverable under the Gift Aid Scheme is recognised where there is an entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Where a claim for repayment of income tax has been or will be made, such income is included in the debtors' amount if still not received by the year end.

**Investment income:** This comprises income generated by cash on deposits held by the charity. Profit on funds held on deposit is included in the SOFA when receivable and the amount can be measured reliably; this is normally upon notification of the profit paid or payable by the bank.

The value of services provided by volunteers is difficult to put a monetary value on and therefore has not been included in accordance with the Charities SORP (FRS102).

**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.

Expenditure is classified under the following activity headings:

**Charitable activities:** Costs associated with the provision of emergency relief, development and longer term rehabilitation programmes as elaborated on in the Trustees' Report. These include both direct charitable

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 JULY 2021

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1. ACCOUNTING POLICIES - continued

**Expenditure**

expenditure, grants payable and support costs relating to these activities. Grants payable to other organisations for relief projects are included in the SOFA when approved by the trustees and agreed with the other organisation.

**Support costs:** Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs for a single activity are allocated to the particular activity where the cost relates directly to that activity. However, Support costs that represent the support functions of management, finance, human resources, IT and support departments attributable to the management of the Charity's assets, are allocated in proportion to the type of charitable activity during the period. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 6.

**Governance costs:** These are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities. Governance support costs are allocated on the basis of support activities provided on clearly interpreted governance matters.

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.

**Tangible fixed assets**

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

Office Equipment - 33%

**Taxation**

The charity is exempt from corporation 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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

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

## LIA RELIEF TRUST

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 JULY 2021**2. DONATIONS AND LEGACIES**

	2021 £	2020 £
Donations	1,934,816	1,169,884
Gift aid	177,428	141,806
	<u>2,112,244</u>	<u>1,311,690</u>

**3. RAISING FUNDS****Raising donations and legacies**

	2021 £	2020 £
Advertising	11,976	355
Fundraising Events	3,539	39,503
Bank Charges	14,148	-
	<u>29,663</u>	<u>39,858</u>

**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 5) £	Support costs (see note 6) £	Totals £
Donations	<u>86,645</u>	<u>1,782,109</u>	<u>4,584</u>	<u>1,873,338</u>

**5. GRANTS PAYABLE**

	2021 £	2020 £
Donations	<u>1,782,109</u>	<u>1,321,400</u>

Total grants payable to institutions for various relief and support programmes was £1,782,109.

**6. SUPPORT COSTS**

	Other £	Governance costs £	Totals £
Donations	<u>29</u>	<u>4,555</u>	<u>4,584</u>

**LIA RELIEF TRUST**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 JULY 2021**

**7. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Auditors' remuneration	3,300	3,600
Accountancy	1,200	3,120
Depreciation - owned assets	304	-
Other operating leases	5,510	3,630
	<u>          </u>	<u>          </u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 July 2021 nor for the year ended 31 July 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 July 2021 nor for the year ended 31 July 2020.

**9. STAFF COSTS**

	2021	2020
	£	£
Wages and salaries	63,211	59,978
Other pension costs	12	188
	<u>          </u>	<u>          </u>
	<u>63,223</u>	<u>60,166</u>

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

	2021	2020
Administrative Staff	4	4
	<u>          </u>	<u>          </u>

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

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	178,520	1,133,170	1,311,690
<b>EXPENDITURE ON</b>			
Raising funds	39,858	-	39,858
<b>Charitable activities</b>			
Donations	118,170	1,321,400	1,439,570
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	<u>158,028</u>	<u>1,321,400</u>	<u>1,479,428</u>

## LIA RELIEF TRUST

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 JULY 2021

## 10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
NET INCOME/(EXPENDITURE)	20,492	(188,230)	(167,738)
Transfers between funds	(5,923)	5,923	-
Net movement in funds	14,569	(182,307)	(167,738)
RECONCILIATION OF FUNDS			
Total funds brought forward	225,611	685,992	911,603
TOTAL FUNDS CARRIED FORWARD	240,180	503,685	743,865

## 11. TANGIBLE FIXED ASSETS

	Office Equipment £
COST	
Additions	921
DEPRECIATION	
Charge for year	304
NET BOOK VALUE	
At 31 July 2021	617
At 31 July 2020	-

## 12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	18,725	89
Prepayments and accrued income	-	94,177
	18,725	94,266

## LIA RELIEF TRUST

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 JULY 2021

## 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	861	694
Social security and other taxes	624	886
Other creditors	29	470
Accruals and deferred income	15,660	11,160
	<u>17,174</u>	<u>13,210</u>

## 14. MOVEMENT IN FUNDS

	At 1/8/20 £	Net movement in funds £	At 31/7/21 £
<b>Unrestricted funds</b>			
General fund	240,180	66,504	306,684
<b>Restricted funds</b>			
Restricted Funds	503,685	142,435	646,120
	<u>743,865</u>	<u>208,939</u>	<u>952,804</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	190,740	(124,236)	66,504
<b>Restricted funds</b>			
Restricted Funds	1,921,504	(1,779,069)	142,435
	<u>2,112,244</u>	<u>(1,903,305)</u>	<u>208,939</u>

## Comparatives for movement in funds

	At 1/8/19 £	Net movement in funds £	Transfers between funds £	At 31/7/20 £
<b>Unrestricted funds</b>				
General fund	225,611	20,492	(5,923)	240,180
<b>Restricted funds</b>				
Restricted Funds	685,992	(188,230)	5,923	503,685
	<u>911,603</u>	<u>(167,738)</u>	<u>-</u>	<u>743,865</u>

## LIA RELIEF TRUST

Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 JULY 2021

## 14. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	178,520	(158,028)	20,492
<b>Restricted funds</b>			
Restricted Funds	1,133,170	(1,321,400)	(188,230)
<b>TOTAL FUNDS</b>	<u>1,311,690</u>	<u>(1,479,428)</u>	<u>(167,738)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/8/19 £	Net movement in funds £	Transfers between funds £	At 31/7/21 £
<b>Unrestricted funds</b>				
General fund	225,611	86,996	(5,923)	306,684
<b>Restricted funds</b>				
Restricted Funds	685,992	(45,795)	5,923	646,120
<b>TOTAL FUNDS</b>	<u>911,603</u>	<u>41,201</u>	<u>-</u>	<u>952,804</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	369,260	(282,264)	86,996
<b>Restricted funds</b>			
Restricted Funds	3,054,674	(3,100,469)	(45,795)
<b>TOTAL FUNDS</b>	<u>3,423,934</u>	<u>(3,382,733)</u>	<u>41,201</u>

**LIA RELIEF TRUST**

**Notes to the Financial Statements - continued  
FOR THE YEAR ENDED 31 JULY 2021**

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**15. RELATED PARTY DISCLOSURES**

The Charity has the following linked charities by virtue of common trustees:

Leicester Islamic Academy (Charity No. 702652)

The Leicester Islamic Academy Trust (Charity No. 1143373 / Company No. 7595563)



## LIA RELIEF TRUST

Detailed Statement of Financial Activities  
FOR THE YEAR ENDED 31 JULY 2021

	2021 £	2020 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	1,934,816	1,169,884
Gift aid	177,428	141,806
	<u>2,112,244</u>	<u>1,311,690</u>
<b>Total incoming resources</b>	2,112,244	1,311,690
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Advertising	11,976	355
Fundraising Events	3,539	39,503
Bank Charges	14,148	-
	<u>29,663</u>	<u>39,858</u>
<b>Charitable activities</b>		
Wages	63,211	59,978
Pensions	12	188
Rent	5,510	3,630
Insurance	310	299
Light and heat	1,517	1,585
Telephone	1,011	70
Postage and stationery	905	132
Sundries	1,107	-
Office Admin Costs	162	529
Bank Charges	2,086	13,949
IT Costs	6,810	6,338
Hospitality	-	150
Repairs and Maintenance	511	161
Subscriptions	3,493	-
Grants to institutions	1,782,109	1,321,400
	<u>1,868,754</u>	<u>1,408,409</u>
<b>Other</b>		
Computer equipment	304	-
<b>Support costs</b>		
<b>Other</b>		
Travel & Subsistence	29	7,619
<b>Governance costs</b>		
Auditors' remuneration	3,300	3,600
Carried forward	3,300	3,600

This page does not form part of the statutory financial statements

## LIA RELIEF TRUST

Detailed Statement of Financial Activities  
FOR THE YEAR ENDED 31 JULY 2021

	2021 £	2020 £
<b>Governance costs</b>		
Brought forward	3,300	3,600
Accountancy	1,200	3,120
Legal & Professional	55	120
Consultancy Fees	-	16,702
	<u>4,555</u>	<u>23,542</u>
Total resources expended	<u>1,903,305</u>	<u>1,479,428</u>
Net income/(expenditure)	<u>208,939</u>	<u>(167,738)</u>

This page does not form part of the statutory financial statements