

**Crisis Aid**

**Financial Statements**

**31 May 2022**

**MILLS HENDY AUDIT LTD TRADING AS RISE AUDIT**

Chartered accountants & statutory auditor

Unit 2, Beverley Court

26 Elmtree Road

Teddington, Middlesex

TW11 8ST

# **Crisis Aid**

## **Financial Statements**

**Year ended 31 May 2022**

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# **Crisis Aid**

## **Trustees' Annual Report**

**Year ended 31 May 2022**

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The trustees present their report and the financial statements of the charity for the year ended 31 May 2022.

### **Reference and administrative details**

<b>Registered charity name</b>	Crisis Aid
<b>Charity registration number</b>	1157507
<b>Principal office</b>	Unit 21 Progress Park Ribocon Way Luton Bedfordshire LU4 9UR

### **The trustees**

Mr Khan - Chairman  
Dr Islam  
Mr Nisar

### **Auditor**

Mills Hendy Audit Ltd Trading as Rise Audit  
Chartered accountants & statutory auditor  
Unit 2, Beverley Court  
26 Elmtree Road  
Teddington, Middlesex  
TW11 8ST

# Crisis Aid

## Trustees' Annual Report *(continued)*

**Year ended 31 May 2022**

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### Structure, governance and management

#### Governing documents

The Crisis Aid is a Trust and is governed by its Trust Deed dated 24 Jan 2014. The Board of Trustees of the charity is responsible for the overall operations of the charity.

#### Structure of the organisation

Crisis Aid's trustees are responsible for ensuring that the charity is compliant with its legal duties and is fulfilling its charitable objectives. The trustees monitor all aspects of strategic and business operations and meet regularly to review and evaluate performance. The trustees keep up to date with changes in the law and developments in the operational environment through regular training and learning. This has enabled the charity to grow this year and increase its income and beneficiaries around the world.

#### Appoint of Trustees

New trustees are appointed by a resolution of the trustees passed at a special meeting called under clause 15 of the Trust deed. Normally trustees are people who already have an existing involvement with, and knowledge of, the charity. Induction meetings for new trustees are held prior to their first Board meeting. The Board of Trustees meets every quarter. Other ad hoc meetings and telephone conferences involving either the whole Board or selected members of the Board are also held as required.

#### Employees and volunteers

Crisis Aid employ five equivalents to full time members of staff and recruited another one part time employee. Crisis Aid is always indebted to its volunteers around the country who donate their precious time in the evenings and weekends to support our work. Our volunteers help organise events and fundraisers which have been integral to the charity's marketing to raise awareness of the work we do. All staff and volunteers performed their duties at Unit 21, Progress Park, Ribocoon Way, Luton, Beds, LU4 9UR.

#### Related party

Crisis Aid has worked alongside charities in the United Kingdom including many mosques who all promote and financially support the work we do around the world. They have given us money for sadaqa and zakat to distribute on their behalf and we will continue to strengthen our collaboration with organisations that share the same charitable objectives as us.

Global Logistical Suppliers Limited (GLSL) is a 3rd party supplier to Crisis Aid which is its main customer in the United Kingdom. The director of GLSL is related to one of the charity trustees and another is a friend. None of the members of the Crisis Aid board or parties related to them has undertaken any transactions with GLSL or received any benefit from the charity in payment or kind. Board members received no honoraria or emoluments in the year.

Any work conducted by Crisis Aid with 3rd party suppliers is subject to a thorough vetting procedure and then approved as suppliers. These partners have a proven track record with extensive knowledge and local links in the areas they operate which gives the charity and donors the peace of mind that their donations are in good hands. All relationships between the charity and 3rd party suppliers are managed professionally, whereby all conflicts of interests are declared and procurement of services are done in a clear and transparent manner to avoid any misappropriation or fraud in the future.

Details of the transactions with related parties are disclosed in page 26.

#### Risk management

Crisis Aid monitors and assesses all internal and external operating risks within the global humanitarian relief sector. There are many challenges and associated risks with operating inside

# Crisis Aid

## Trustees' Annual Report *(continued)*

### Year ended 31 May 2022

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countries that are classed as high risk areas. Once these risks are identified we take all the necessary measures to minimise the possibility of any harm to our charity reputation, staff, volunteers, international partners and to our beneficiaries.

Crisis Aid uses a number of tools including Reuters World Check, Companies House, Charity Commission records and specialist consultants to conduct due diligence and checks on all our 3<sup>rd</sup> party suppliers. We also have a number of operational risk assessments and policies which are designed to protect the charity and its assets and these are also reviewed regularly by the trustees and auditors.

The principle risks and their mitigation are as follows:

Financial risks: Loss of income in general and in cases like Covid 19. Mitigations: Implement financial planning and controls, monitoring and regular spending reviews, reserves policy. Regulatory and legal risks: Non-compliance of charity commission rules. Mitigation: Trustee training, subscribe to charity commission news updates, have internal and external audits. General Data Protection Regulation ("GDPR"): Data loss, non-compliance. Mitigations: Implement and follow GDPR policy. Regular staff training on GDPR. Fraud or error: Financial fraud, misappropriation. Mitigation: Strong governance, financial controls, internal checks and balances on staff, external review by auditors.

### Objectives and activities

#### Charity's Mission

- To support the victims of poverty and displacement around the world.
- Belief in equality, dignity and freedom for all, regardless of faith, colour or nationality.
- To apply our skills and experience at a time of crisis to all who are in need.
- To ensure our beneficiaries are always our highest priority.

#### Charitable Activities

The activities carried out for the public benefit by the charity are categorised into the following: • Emergency relief such as provision of food, shelter, clothing, and medical aid to victims of displacement and natural disasters.

- Provision of clean fresh water by constructing water wells with storage tankers and taps, shallow hand pumps and trucking water to needy areas.
- The sponsoring of orphans and orphanages.
- Dispatching of shipping containers loaded with food, clothes and blankets and other essential items to support the poor and needy.
- Supporting medical clinics especially for the treatment of women and children.
- Income generating projects to help break dependence on hand outs.

#### Public benefits

The trustees present their report with the financial statements of the Crisis Aid (the "Charity") for the year ended 31 May 2022. The Trustees have adopted the provision of Accounting and Reporting by Charities Statement of Recommended Practice (charity "SORP") applicable to charities preparing their accounts in accordance with the Financial Reporting Standard ("FRS") applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective from 1 January 2015).

# Crisis Aid

## Trustees' Annual Report *(continued)*

### Year ended 31 May 2022

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#### Achievements and performance

Crisis Aid continued its charitable activities this year benefitting over 6.7 million people in 19 different countries. Our work extended to some of the poorest countries in the world where we delivered emergency food rations, water projects, education and health support and assistance for vulnerable groups like widows and orphans.

Our support was a lifeline for millions of people devastated by the Covid 19 pandemic that claimed the lives millions and crippled the global economy. During the lockdowns, daily wage earners and labourers were forced to rely on handouts and support from international charities like Crisis Aid. During this period, we also ran a successful campaign of support for the elderly and vulnerable in the United Kingdom.

We hope to continue supporting the poor and needy at the onset of disaster and help rebuild lives afterwards.

#### Financial review

Despite challenging headwinds from impact of the COVID19 pandemic as well as economic uncertainty, through the support of our donors the charity was able to generate £1,697,587 (£2,459,594 in 2021) in funding for the year ended 31 May 2021 to help the charity support the poor and needy around the globe.

##### Reserve policy

##### 1. Prudent level of reserves

Crisis Aid aims to have reserves of 50% of current annual expenditure. This will ensure business continuity in the event of any interruption or unforeseen circumstances. The reserves are kept in the charity bank accounts and are monitored closely.

2. Establishing and maintaining a prudent level of reserves. In the event of reserves dipping below the target, the shortfall is met by direct fundraising and cost cutting measures. In addition, charity reserves are replenished each year by income from gift aided donations.

##### Amount of reserves held

£1,954,178 (2021: £2,249,779)

##### Details of fund materially

Both restricted and unrestricted funds are in surplus going in to 2022, and put the charity in a strong position especially when it comes to acting in times of disaster response.

##### Going concern

The ongoing cost of living crisis and the UK staring down the barrel of a long recession we do see challenges ahead that may impact donations. We are always looking at ways to grow donations and finding ways to bring down overheads.

# Crisis Aid

## Trustees' Annual Report *(continued)*

### Year ended 31 May 2022

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#### Plans for future periods

Crisis Aid has increased its spend on fundraising activities including online marketing and advertising which has generated significant levels of income for the charity. It is a very cost-effective method of raising awareness and income for appeals. A breakdown of spending and income generated is outlined below:

	Fundraising	Income
2020	299,499	2,907,960
2021	93,637	2,459,594
2022	70,388	1,697,587

If material expenditure was incurred to raise income in the future, the report must explain the effect this expenditure has had, and is intended to have, on the net return from fundraising activities for both the reporting year and future periods.

#### Trustees' responsibilities statement

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 and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 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 applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Crisis Aid**

### **Trustees' Annual Report** *(continued)*

#### **Year ended 31 May 2022**

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The trustees' annual report was approved on 31 July 2023 and signed on behalf of the board of trustees by:

A handwritten signature in black ink, appearing to be 'A. Khan', written over a horizontal line.

Mr Khan - Chairman  
Trustee



# **Crisis Aid**

## **Independent Auditor's Report to the Members of Crisis Aid**

**Year ended 31 May 2022**

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### **Opinion**

We have audited the financial statements of Crisis Aid (the 'charity') for the year ended 31 May 2022 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 May 2022 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;
- 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 auditor's 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**

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 charity'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.

# Crisis Aid

## Independent Auditor's Report to the Members of Crisis Aid *(continued)*

Year ended 31 May 2022

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### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate 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 trustees' responsibilities statement, the trustees 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 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.

# Crisis Aid

## Independent Auditor's Report to the Members of Crisis Aid *(continued)*

Year ended 31 May 2022

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### Auditor's 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 an auditor's report 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:

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

# Crisis Aid

## Independent Auditor's Report to the Members of Crisis Aid *(continued)*

### Year ended 31 May 2022

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A further description of our responsibilities is available 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 auditor's report.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

# Crisis Aid

## Independent Auditor's Report to the Members of Crisis Aid *(continued)*

**Year ended 31 May 2022**

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Use of our report**

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



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David Sloggett (Jul 31, 2023, 4:47pm)

David Sloggett (Senior Statutory Auditor) FCCA

For and on behalf of  
Mills Hendy Audit Ltd Trading as Rise Audit  
Chartered accountants & statutory auditor  
Unit 2, Beverley Court  
26 Elmtree Road  
Teddington, Middlesex  
TW11 8ST

31 July 2023

# Crisis Aid

## Statement of Financial Activities

Year ended 31 May 2022

		Unrestricted funds £	2022 Restricted funds £	Total funds £	2021 Total funds £
	Note				
<b>Income and endowments</b>					
Donations and legacies	4	544,185	1,153,132	1,697,317	2,459,594
Investment income	5	270	—	270	—
<b>Total income</b>		<u>544,455</u>	<u>1,153,132</u>	<u>1,697,587</u>	<u>2,459,594</u>
<b>Expenditure</b>					
Expenditure on raising funds:					
Costs of raising donations and legacies	6	70,388	—	70,388	93,637
Expenditure on charitable activities	7,8	313,906	1,610,894	1,924,801	2,255,457
<b>Total expenditure</b>		<u>384,294</u>	<u>1,610,894</u>	<u>1,995,189</u>	<u>2,349,094</u>
<b>Net (expenditure)/income and net movement in funds</b>		<u>160,161</u>	<u>(457,762)</u>	<u>(297,602)</u>	<u>110,500</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,334,342	917,437	2,251,779	2,141,279
<b>Total funds carried forward</b>		<u>1,494,503</u>	<u>459,675</u>	<u>1,954,178</u>	<u>2,251,779</u>

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

The notes on pages 15 to 25 form part of these financial statements.

# Crisis Aid

## Statement of Financial Position

31 May 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	14	19,491	22,701
Tangible fixed assets	15	1,031	3,209
		<u>20,522</u>	<u>25,910</u>
<b>Current assets</b>			
Debtors	16	8,693	42,688
Cash at bank and in hand		2,007,961	2,236,636
		<u>2,016,654</u>	<u>2,279,324</u>
<b>Creditors: amounts falling due within one year</b>	17	82,999	53,455
<b>Net current assets</b>		<u>1,933,655</u>	<u>2,225,869</u>
<b>Total assets less current liabilities</b>		<u>1,954,177</u>	<u>2,251,779</u>
<b>Funds of the charity</b>			
Restricted funds		459,675	917,437
Unrestricted funds		1,494,503	1,334,342
<b>Total charity funds</b>	18	<u>1,954,178</u>	<u>2,251,779</u>

These financial statements were approved by the board of trustees and authorised for issue on 31 July 2023, and are signed on behalf of the board by:



Mr Khan - Chairman  
Trustee

The notes on pages 15 to 25 form part of these financial statements.

# Crisis Aid

## Statement of Cash Flows

Year ended 31 May 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net (expenditure)/income	(297,602)	110,500
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	2,178	6,450
Amortisation of intangible assets	3,210	3,210
Other interest receivable and similar income	(270)	—
<i>Changes in:</i>		
Trade and other debtors	33,995	33,869
Trade and other creditors	29,544	(24,069)
Cash generated from operations	(228,945)	129,960
Interest received	270	—
Net cash (used in)/from operating activities	<u>(228,675)</u>	<u>129,960</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	—	(2,061)
Net cash used in investing activities	<u>—</u>	<u>(2,061)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(228,675)	127,899
<b>Cash and cash equivalents at beginning of year</b>	<u>2,236,636</u>	<u>2,108,737</u>
<b>Cash and cash equivalents at end of year</b>	<u>2,007,961</u>	<u>2,236,636</u>

The notes on pages 15 to 25 form part of these financial statements.



# **Crisis Aid**

## **Notes to the Financial Statements**

**Year ended 31 May 2022**

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### **1. General information**

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Unit 21 Progress Park, Ribocon Way, Luton, Bedfordshire, LU4 9UR.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Following the assessment of the Crisis Aid's financial position of the operational consequences and ramifications of the Covid-19 pandemic and of its ability to meet its obligations as and when they fall due, the Trustees have a reasonable expectation that the Charity will be able to continue to operate for at least the next 12 months from the signing of these financial statements. Therefore, the financial statements have been prepared on a going concern basis.

#### **Foreign currencies**

Amount of exchange differences recognised in net income/expenditure during the period, except for those arising on financial instruments measured at fair value through net income/expenditure.

#### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# Crisis Aid

## Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

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### 3. Accounting policies *(continued)*

#### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

# Crisis Aid

## Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

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### 3. Accounting policies *(continued)*

#### Intangible assets *(continued)*

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

#### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Software [CRM]	- 10% straight line
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 50% straight line
Fixtures and fittings	- 25% straight line
Motor vehicles	- 25% straight line
Equipment	- 25% straight line

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

#### 3. Accounting policies *(continued)*

##### **Impairment of fixed assets *(continued)***

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

##### **Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

# Crisis Aid

## Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

### 4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
<b>Donations</b>			
Donations	310,615	1,153,132	1,463,747
<b>Gifts</b>			
Gifts	230,322	—	230,322
<b>Grants</b>			
Grants receivable	3,248	—	3,248
	<u>544,185</u>	<u>1,153,132</u>	<u>1,697,317</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
<b>Donations</b>			
Donations	522,638	1,406,316	1,928,954
<b>Gifts</b>			
Gifts	487,410	—	487,410
<b>Grants</b>			
Grants receivable	43,230	—	43,230
	<u>1,053,278</u>	<u>1,406,316</u>	<u>2,459,594</u>

### 5. Investment income

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Bank interest receivable	270	270	—	—

### 6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Costs of raising donations and legacies				
- Donations	70,388	70,388	93,637	93,637

# Crisis Aid

## Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Activity	18,055	1,604,094	1,622,149
Support costs	295,851	6,800	302,652
	<u>313,906</u>	<u>1,610,894</u>	<u>1,924,801</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Activity	(3,876)	1,976,194	1,972,319
Support costs	283,245	(106)	283,138
	<u>279,369</u>	<u>1,976,088</u>	<u>2,255,457</u>

### 8. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs £	Total funds 2022 £	Total fund 2021 £
Activity	1,622,149	–	1,622,149	1,972,319
Governance costs	–	302,652	302,652	283,138
	<u>1,622,149</u>	<u>302,652</u>	<u>1,924,801</u>	<u>2,255,457</u>

### 9. Net (expenditure)/income

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

	2022 £	2021 £
Amortisation of intangible assets	3,210	3,210
Depreciation of tangible fixed assets	2,178	6,450
Foreign exchange differences	<u>758</u>	<u>1,838</u>

### 10. Auditors remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	<u>9,600</u>	<u>9,600</u>

### 11. Independent examination fees

	2022 £	2021 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	<u>8,250</u>	<u>8,250</u>

# Crisis Aid

## Notes to the Financial Statements *(continued)*

### Year ended 31 May 2022

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#### 12. Staff costs

The average head count of employees during the year was 6 (2021: 6).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

#### 13. Trustee remuneration and expenses

There were no trustees' remuneration or other benefits for the period ended 31st May 2022 (2021: £ Nil).

There were no trustees' expenses paid for the period ended 31st May 2022 (2021: £ Nil)

#### 14. Intangible assets

	Intangible asset [CRM Software] £
<b>Cost</b>	
At 1 June 2021 and 31 May 2022	32,104
<b>Amortisation</b>	
At 1 June 2021	9,403
Charge for the year	3,210
<b>At 31 May 2022</b>	<u>12,613</u>
<b>Carrying amount</b>	
At 31 May 2022	<u>19,491</u>
At 31 May 2021	<u>22,701</u>

#### 15. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
<b>Cost</b>					
At 1 June 2021 and 31 May 2022	2,750	10,396	5,250	10,161	28,557
<b>Depreciation</b>					
At 1 June 2021	2,750	7,803	5,250	9,545	25,348
Charge for the year	—	1,562	—	616	2,178
<b>At 31 May 2022</b>	<u>2,750</u>	<u>9,365</u>	<u>5,250</u>	<u>10,161</u>	<u>27,526</u>
<b>Carrying amount</b>					
At 31 May 2022	<u>—</u>	<u>1,031</u>	<u>—</u>	<u>—</u>	<u>1,031</u>
At 31 May 2021	<u>—</u>	<u>2,593</u>	<u>—</u>	<u>616</u>	<u>3,209</u>

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# Crisis Aid

## Notes to the Financial Statements *(continued)*

### Year ended 31 May 2022

#### 16. Debtors

	2022 £	2021 £
Trade debtors	8,693	42,448
Other debtors	—	240
	<u>8,693</u>	<u>42,688</u>

#### 17. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	36,552	16,105
Social security and other taxes	1,147	—
Other creditors	45,300	37,350
	<u>82,999</u>	<u>53,455</u>

#### 18. Analysis of charitable funds

##### Unrestricted funds

	At 1 June 2021 £	Income £	Expenditure £	At 31 May 2022 £
General funds	<u>1,334,342</u>	<u>544,455</u>	<u>(384,294)</u>	<u>1,494,503</u>

	At 1 June 2020 £	Income £	Expenditure £	At 31 May 2021 £
General funds	<u>654,070</u>	<u>1,053,278</u>	<u>(373,006)</u>	<u>1,334,342</u>

##### Restricted funds

	At 1 June 2021 £	Income £	Expenditure £	At 31 May 2022 £
Restricted Fund 1 - desc in a/cs	<u>917,437</u>	<u>1,153,132</u>	<u>(1,610,894)</u>	<u>459,675</u>

	At 1 June 2020 £	Income £	Expenditure £	At 31 May 2021 £
Restricted Fund 1 - desc in a/cs	<u>1,487,209</u>	<u>1,406,316</u>	<u>(1,976,088)</u>	<u>917,437</u>



# Crisis Aid

## Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

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### 19. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Intangible assets	19,491	—	19,491
Tangible fixed assets	1,031	—	1,031
Current assets	2,016,654	—	2,016,654
Creditors less than 1 year	(82,999)	—	(82,999)
<b>Net assets</b>	<u>1,954,177</u>	<u>—</u>	<u>1,954,177</u>

  

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Intangible assets	22,701	—	22,701
Tangible fixed assets	3,209	—	3,209
Current assets	2,236,876	42,448	2,279,324
Creditors less than 1 year	(53,455)	—	(53,455)
<b>Net assets</b>	<u>2,209,331</u>	<u>42,448</u>	<u>2,251,779</u>

### 20. Identification of the financial statements

Crisis Aid Limited (Company Number: 14278519) was officially registered with the Registrar of Companies for England and Wales on the 5<sup>th</sup> August 2022. The organisation's registered office is located at 72 Cardigan Street, Luton, Bedfordshire, LU1 1RR.

Crisis Aid Limited is currently dormant, with no operational or financial activities undertaken. It plans to pursue charitable endeavours in the near future.

# Crisis Aid

## Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

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### 21. Fund-raising standards information

(1) If section 144(2) applies to a financial year of a charity, the annual report in respect of that year must include a statement of each of the following for that year—

(a) the approach taken by the charity to activities by the charity or by any person on behalf of the charity for the purpose of fund-raising, and in particular whether a professional fund-raiser or commercial participator carried on any of those activities; - The charity has not engaged any professional or commercial fundraisers during the period.

(b) whether the charity or any person acting on behalf of the charity was subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or any voluntary standard of fund-raising, in respect of activities on behalf of the charity, and, if so, what scheme or standard; Crisis Aid is registered with the Fundraising Regulator.

(c) any failure to comply with a scheme or standard mentioned under paragraph (b); - Crisis Aid has been fully compliant and has not experienced any failures in compliance.

(d) whether the charity monitored activities carried on by any person on behalf of the charity for the purpose of fund-raising, and, if so, how it did so; - N/A

(e) the number of complaints received by the charity or a person acting on its behalf about activities by the charity or by a person on behalf of the charity for the purpose of fund-raising; - Zero.

(f) what the charity has done to protect vulnerable people and other members of the public from behaviour within subsection (2) in the course of, or in connection with, such activities. - To protect vulnerable people and the public from such behaviour, the charity has implemented various safeguards and measures.

(2) The behaviour within this subsection is—

(a) unreasonable intrusion on a person's privacy;

(b) unreasonably persistent approaches for the purpose of soliciting or otherwise procuring money or other property on behalf of the charity; (c) placing undue pressure on a person to give money or other property.

(3) In this section—

(a) “commercial participator” and “professional fund-raiser” have the meaning given by section 58 of the Charities Act 1992 (control of fund-raising: interpretation); (b) “fund-raising” means soliciting or otherwise procuring money or other property for charitable purposes.

(4) Section 58(6) and (7) of the Charities Act 1992 (references to soliciting money etc) apply for the purposes of this section as they apply for the purposes of Part 2 of that Act.]

### 22. Analysis of changes in net debt

	At 1 Jun 2021	Cash flows	At 31 May 2022
	£	£	£
Cash at bank and in hand	<u>2,236,636</u>	<u>(228,675)</u>	<u>2,007,961</u>

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# Crisis Aid

## Notes to the Financial Statements *(continued)*

Year ended 31 May 2022

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### 23. Related parties

During the reporting period, following companies, related to the trustees or the management of the charity, were hired to distribute the grants on behalf of the Crisis Aid.

	2022	2021
	£	£
Grants distributed by Prestige Import & Export Ltd	0	0
Grants distributed by Global Logistics Suppliers Ltd	105,416	217,260
	105,416	217,260

Apart from the above, we, the trustees have not come across any other 'Related Party Disclosure' failure and all that has been identified including internal fraud & errors has been reported to the Charity Commission and the current auditors.

## **Crisis Aid**

### **Management Information**

**Year ended 31 May 2022**

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**The following pages do not form part of the financial statements.**

# Crisis Aid

## Detailed Statement of Financial Activities

Year ended 31 May 2022

	2022 £	2021 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	1,463,747	1,928,954
Gifts	230,322	487,410
Grants receivable	3,248	43,230
	<u>1,697,317</u>	<u>2,459,594</u>
<b>Investment income</b>		
Bank interest receivable	270	—
	<u>270</u>	<u>—</u>
<b>Total income</b>	<u>1,697,587</u>	<u>2,459,594</u>
<b>Expenditure</b>		
<b>Costs of raising donations and legacies</b>		
Fundraising costs	70,388	93,637
	<u>70,388</u>	<u>93,637</u>
<b>Expenditure on charitable activities</b>		
Purchases	1,622,149	1,942,183
Wages and salaries	159,106	129,767
Rent	20,053	1,131
Light and heat	2,493	4,957
Insurance	2,787	2,493
Motor vehicle expenses	—	462
Other motor/travel costs	—	658
Legal and professional fees	46,956	49,186
Telephone	1,127	2,696
Other office costs	10,061	6,681
Amortisation	3,210	3,210
Depreciation	2,178	6,451
Foreign exchange gain/loss	758	1,838
Food/clothes containers and sundry expenses	2,402	30,873
Website and IT	10,739	21,378
Bank charges	2,788	2,659
Merchant fees	37,994	48,834
	<u>1,924,801</u>	<u>2,255,457</u>
<b>Total expenditure</b>	<u>1,995,189</u>	<u>2,349,094</u>
<b>Net (expenditure)/income</b>	<u>(297,602)</u>	<u>110,500</u>

# Crisis Aid

## Notes to the Detailed Statement of Financial Activities

Year ended 31 May 2022

	2022 £	2021 £
<b>Costs of raising donations and legacies</b>		
<b>Costs of raising donations and legacies - Donations</b>		
Donations - fundraising costs	70,388	93,637
	<u>70,388</u>	<u>93,637</u>
<b>Costs of raising donations and legacies</b>	<u>70,388</u>	<u>93,637</u>
<b>Expenditure on charitable activities</b>		
<b>Activity</b>		
<b>Activities undertaken directly</b>		
Direct charitable activity 1 -charitable activities	1,622,149	1,942,183
Direct charitable activity 1 - other	—	30,136
	<u>1,622,149</u>	<u>1,972,319</u>
<b>Governance costs</b>		
Governance costs - wages/salaries	159,106	129,767
Governance costs - rent	20,053	1,131
Governance costs - light & heat	2,493	4,957
Governance costs - insurance	2,787	2,493
Governance costs - motor vehicle expenses	—	462
Governance costs - other motor/travel costs	—	658
Governance costs - accountancy fees	16,147	23,992
Governance costs - audit fees	9,600	9,600
Governance costs - legal and other professional fees	21,209	15,594
Governance costs - telephone	1,127	2,696
Governance costs - other office costs	10,061	6,681
Governance costs - amortisation	3,210	3,210
Governance costs - depreciation	2,178	6,451
Governance costs - foreign exchange gain/loss	758	1,838
Governance costs - sundry expenses	2,402	737
Governance costs - website and IT	10,739	21,378
Governance costs - bank charges	2,788	2,659
Governance costs - merchant fees	37,994	48,834
	<u>302,652</u>	<u>283,138</u>
<b>Expenditure on charitable activities</b>	<u>1,924,801</u>	<u>2,255,457</u>