

Charity registration number 1165916

Company registration number CE006846 (England and Wales)

ABDULLAH AID
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

ABDULLAH AID

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr S Malji Mr R Patel Mr S Patel
Charity number	1165916
Company number	CE006846
Principal address and registered office	81 Upton Lane London E7 9PB
Statutory auditor	AMS Accountants Corporate Limited Chartered Accountants Statutory Auditor Floor 2 9 Portland Street Manchester M1 3BE
Chartered accountants	MSP Associates (London) Limited Ground Floor Front Essex IG3 8LA
Bankers	HSBC Bank Plc Unit SU0023 Westfield Stratford City Leyton Road, Stratford Al Rayan Bank Plc 97-99 Whitechapel Rd London E1 1DT

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "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

The objectives of the Charity are the relief and assistance of people in the UK and worldwide who are victims of war, natural disaster, trouble or catastrophe by such means as the Trustees think fit, in particular but not exclusively by the provision of food, water and shelter.

The Trustees confirm that the aims and objectives of the Charity fully meet with the public benefit test.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

Abdullah Aid has continued to support individuals and communities across the globe in order to maintain the charities objectives in the best capacity it can, by acting within the guidelines of The Charity Commission of England and Wales.

Most of the Charity's activities involve volunteers in the delivery of its charitable purpose. We are, as always extremely grateful to these volunteers in supporting to deliver the aid and complete projects around the world.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and performance

The Charity's income arises from public donations. The executive committee is responsible for the day-to-day management of the financial and operational matters.

Over the course of the period being reported, Abdullah Aid carried out and implemented various projects and travelled with volunteers to parts of the world to deliver aid, outlined below are some of the projects carried out throughout the period being reported.

Rohingya Crisis

As part of Abdullah Aid's continued efforts towards easing the suffering of the unprecedented numbers of Rohingya people displaced due to the horrific persecution by the Myanmar authorities. Abdullah Aid implemented various projects in 2019.

The culmination of projects includes the following activities:

- The distribution of food parcels within the Rohingya refugee camps located along the border in neighbouring Bangladesh. A typical food parcel constitutes a month of provision for a small family (average 4 persons per family).

Items included in the food parcels are:

Rice, Oil, Lentils, Wheat flour, Salt, Sugar, Milk powder, Soap, Mosquito nets, Solar powered lanterns & blankets.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Donate Quran

Distribution of Quran's to people of all faiths.

The Gambia

Throughout the year Abdullah Aid have implemented a number of small projects in The Gambia via Abdullah Aid Gambia office. Project activities are:

- Food provisions.
- The building of shelter/homes.
- Repairs and improvements to existing homes.
- Construction of water wells in remote villages.
- Cooked meal distributions.
- Establishment of free bread production facilities for use of the surrounding community.
- Distribution of meat (Eid Project).
- Medical aid (supporting existing health centre with basic medical supplies).
- Cataract surgery operations.
- Orphan/hifz sponsorship.
- Empowerment projects.
- Gifts for children during the Eid festival (educational books for school, stationary, clothing & footwear).

Tanzania

Abdullah Aid has continued to support various needy communities in the region.

Project activities are:

- Food provisions.
- Distributions of meat (Eid project).
- Medical aid (supporting existing health services with basic medical supplies).
- Orphan sponsorship.
- Empowerment projects.
- Gifts for children during the Eid festival (educational books for school, stationary, clothing & footwear).
- Water boreholes and other means of water/sanitation.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Ethiopia

Abdullah Aid has continued to provide support to some of the most vulnerable regions of Ethiopia, where the primary focus was child education.

- The provision on school uniforms, stationary & educational books suitable for the relevant age groups.
- Housing/Shelter building project.
- Distribution of monthly food provisions.
- The provision & distribution of meat (beef) and cooked meals for the children & their families (In conjunction of Abdullah Aid's Eid project).
- Disability mobility Program – provision of wheelchairs.

Nigeria

This year in an effort to identify viable projects, the charity investigated and implemented some projects in Nigeria. The organisation focused primarily in supporting the disabled. Activities include:

- Disability support – provision of wheelchairs and sets of crutches.
- Financial support of elderly women.
- Orphans' education supplies
- Provided children education

Mozambique

An emergency relief program was initiated to assist those who were impacted by Cyclone Idai, one of the worst tropical cyclones on record to affect Africa and the Southern Hemisphere. Support included:

- Distribution of food provisions.
- Each parcel would provide a family with over a month of provision and would typically include items such as rice, flour, cooking oil, sugar, salt, pasta, crackers/biscuits and soap.

Kerala flood relief – India

Abdullah Aid's continued support for flooding affected inhabitants of Indian state Kerala comprised of the following:

- Repairs & reconstruction of existing homes damaged during the devastating flood.
- Emergency Food provisions.

Sri Lanka

In an effort to provide some respite to the poor and needy the organisation conducted several small projects. A summary of key achievements is listed below:

- The construction of water wells and installation of water pumps for communities that did not have access to clean water.
- Distribution of food parcels (one-month provision of food for a typical family)

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Palestine

Project activities are conducted with a ground partner organisation.

These include:

- Plantation of olive trees (empowerment program)
- Orphan sponsorships
- Eid gifts
- Food provisions
- Water/sanitation
- Winter support (blankets, heaters and home improvements)

Yemen

With the current situation in Yemen worsening, the toll on the everyday civilian population has become increasingly difficult. Abdullah Aid has aimed to provide some semblance of normality to these people through activities such as the provision of:

- Shelters/Homes
- Food provisions
- Disability support
- Clean drinking water & sanitation
- Orphan's support
- Medical support
- Bread supplies

Kashmir – India

Abdullah Aid has provided support to the people of this area through:

- Food parcel distribution (one-month provision of food for a typical family)

Food Bank (London, UK)

Abdullah Aid has been running an ad hoc local food bank from the charities London office situated at 81 Upton Lane, Forest Gate E7 9PB.

The primary support group is single parent families. However, the food bank is open to all members of the public. The food bank is stocked via direct donations of items from the general public and through provisions purchased directly by Abdullah Aid.

Jordan – Syrian Refugee Support

Abdullah Aid has continued its support of the displaced people of Syria. This support has been primarily provided through the official Syrian refugee camps situated in Jordan. An outline of the support activities include:

- Shelters
- Food parcel distribution
- Disability support, wheel chair distribution - mobility project
- Empowerment/Income generation
- Water/Sanitation
- Orphan's support
- Medical Support

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Pakistan

The charity maintained its support of previous projects together with additional emergency support for earthquake victims.

- Eye cataract removal procedures/surgery.
- Water pumps.
- Emergency food supplies
- Emergency shelters – tents.

Gujarat – India

Projects in this region of India have been primarily focused towards the education of poor and orphaned children. Abdullah Aid also supported hospitals situated in the Surat district of India with medical equipment and urgent medical treatments.

Education programs for poor & orphaned children.

This program included fully funding the fees, books and food of children. The ultimate aim is to steadily increase the number of children provided for.

West Bengal – India

The projects in this region are limited at present, however the organisation has continued to support the people of this area through:

- Food parcel distribution (one-month provision of food for a typical family) – (Ramadan Food Parcel program).
- The construction of water pumps

Financial review

The result for the year showed a surplus of 163,945 (2019: deficit of £91,596). At the year end the Charity had Unrestricted reserves of £262,550 (2019: £98,605) and restricted reserves of £NIL (2019: £NIL).

The Charity's net current assets have increased from £96,635 in 2019 to £261,565 this year.

The Trustees consider that the ideal level of reserves would cover six months spending which is approximately £55,800.

At the year end, the Charity had free reserves (net current assets) of over £262,000. The Trustees consider the Charity is in a healthy position to continue to support its objectives.

The policy is reviewed annually by the Board of Trustees.

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Plans for future periods

The charities goals and plans for the future will be to maintain current global endeavours and continue to build upon the current foundation.

The ultimate goal is in identifying long term projects in order to provide sustained support to empower communities to become self-sufficient.

Abdullah Aid will also aim to identify needs in local communities together with looking forward to national UK wide community projects. The local food bank the Charity currently runs is a perfect example of such projects. As the organisation grows, the future aims of such projects will be scale up to multiple locations and build a comprehensive network of help for local communities, coupled with an aim towards identifying other areas where the Charity can assist local initiatives.

Structure, governance and management

Abdullah Aid is a registered charitable incorporated organisation (CIO), number 1165916, and is constituted under a Constitution dated 8 March 2016 as amended on 21 November 2017

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr S Malji
Mr R Patel
Mr S Patel

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

Every trustee must be appointed by a resolution passed at a properly convened meeting of the Trustees. In selecting individuals for appointment as charity trustees, the Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Organisational structure and decision-making policies

The current Executive Committee term was set for five years. The Executive Committee consists of the founding members of the Charity who also occupy the roles of Trustees.

The term for sitting members of the Executive Committee will come to end in March 2021.

The Nominees are vetted in terms of their suitability and what they can offer to the Charity ensuring the objectives of the charity are met.

The Charity has appointed Mr Shakil Malji as a Chief Executive Officer (CEO) in February 2018. The CEO is responsible for day to day management of the Charity. The Board of Trustees meet on a regular basis to review Charity's performance against objective, assess risks that the Charity is facing and take appropriate actions.

Trustees take decision by either:

- at a meeting of the charity trustees; or
- by resolution in writing or electronic form agreed by all of the Trustees, which may comprise either a single document or several documents containing the text of the resolution in like form to each of which one or more Trustees has signified their agreement.

Any Trustee may call a meeting of the Trustees. The Trustees shall decide how their meetings are to be called, and what notice is required. The Trustees may appoint one of their number to Chair their meetings and may at any time revoke such appointment.

The only persons eligible to be members of the CIO are its Trustees. Membership of the CIO cannot be transferred to anyone else. Any member and Trustee who ceases to be a Trustee automatically ceases to be a member of the CIO.

Financial risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Trustees' indemnities

Trustees' insurance cover has been established for all Trustees to provide appropriate cover for their reasonable actions on behalf of the Charity.

New trustees are selected on basis of contribution that they will make to the governance of the organisation and the skills that they will contribute. They are provided with copies of the Charity Commission's guidance and are given an introduction to the activities of the Charity by the existing Board. They are also made aware of the Charity's constitution, current financial position as set out in the latest filed accounts and the Charity's objectives.

The Charity's current pay scale conforms to market rates. The Charity uses following parameters to set pay policies:

- Market comparison
- Range of training, skills, and experience required
- Affordability for the organisation
- Retention and the overall remuneration policy.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

The Board of Trustees confirms that during the year there were no transactions with Trustees, their connected businesses or entities or any other related parties. The only related party transaction during the year was Trustees's remuneration as disclosed in Trustees remuneration note to the financial statements.

Statement of Trustees' responsibilities

The Trustees, who are also the directors of Abdullah Aid for the purpose of company law, 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).

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 Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 Charities SORP;
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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 Companies Act 2006. 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.

Auditor

AMS Accountants Corporate Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

The Trustees' report, including the strategic report, was approved by the Board of Trustees.



Mr S Malji
Chair of Trustees

26 July 2022

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INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ABDULLAH AID

Opinion

We have audited the financial statements of Abdullah Aid (the 'Charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have not been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- 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 *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.

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 contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ABDULLAH AID

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

AMS Accountants Corporate Limited

David Clegg (Senior Statutory Auditor)
for and on behalf of AMS Accountants Corporate Limited

26 July 2022

Chartered Accountants
Statutory Auditor

Floor 2
9 Portland Street
Manchester
M1 3BE

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STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Donations and legacies	3	785,600	1,381,352	2,166,952	427,524	489,352	916,876
Expenditure on:							
Raising funds	4	106,003	-	106,003	94,708	-	94,708
Charitable activities	5	515,652	1,381,352	1,897,004	326,309	587,455	913,764
Total expenditure		621,655	1,381,352	2,003,007	421,017	587,455	1,008,472
Net income/(expenditure) for the year/							
Net movement in funds		163,945	-	163,945	6,507	(98,103)	(91,596)
Fund balances at 1 January 2020							
		98,605	-	98,605	92,098	98,103	190,201
Fund balances at 31 December 2020							
		262,550	-	262,550	98,605	-	98,605

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

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BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	9		985		1,970
Current assets					
Cash at bank and in hand		484,264		113,478	
Creditors: amounts falling due within one year	10	(222,699)		(16,843)	
Net current assets			261,565		96,635
Total assets less current liabilities			262,550		98,605
Income funds					
Unrestricted funds			262,550		98,605
			262,550		98,605

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 26 July 2022



Mr S. Malji
Trustee

Company registration number CE006846

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	14		370,786		(87,667)
Net cash used in investing activities			-		-
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			370,786		(87,667)
Cash and cash equivalents at beginning of year			113,478		201,145
Cash and cash equivalents at end of year			<u>484,264</u>		<u>113,478</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The entity is a Charitable Incorporated Organisation registered with Charity Commission under registration number 1165916. The charity's registered office which is also a principal place of business is: 81 Upton Lane, London, E7 9PB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

With reference to the current global COVID-19 pandemic with consideration given to the rapidly changing nature of the COVID-19 outbreak and the organisations existing available funds, the trustees believe that the Charity will remain solvent and will continue operating as a going concern for the next twelve months period and beyond.

There has to date been no significant impact on income (donations). The Muslim holy month of Ramadan is where a significant proportion of donations are usually received by the charity.

Many of the international projects have been put on hold / suspension as precautionary measure, which will be assessed regularly given the dynamic nature of the current situation.

Following government advice, the core team members will be working from home.

The Charity is currently running a COVID-19 local support program. This involves teams of select volunteers to assist key workers, critical staff, the elderly and venerable people and those in self isolation with shopping of essential food and other items.

1.3 Charitable funds

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

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

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

1.4 Income

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

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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

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

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% Straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

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

Basic financial assets

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

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

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

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

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
Donations and gifts	572,221	1,381,352	1,953,573	350,358	489,352	839,710
Legacies receivable	170,629	-	170,629	77,166	-	77,166
Government grant income	42,750	-	42,750	-	-	-
	<u>785,600</u>	<u>1,381,352</u>	<u>2,166,952</u>	<u>427,524</u>	<u>489,352</u>	<u>916,876</u>

ABDULLAH AID

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Advertising	17,608	-
Support costs	88,395	94,708
	<u>106,003</u>	<u>94,708</u>
Fundraising and publicity	<u>106,003</u>	<u>94,708</u>

5 Charitable activities

	Food, shelter and other relief work	Food, shelter and other relief work
	2020	2019
	£	£
Charitable expenditure heading 1	1,851,004	864,156
Share of governance costs (see note 6)	46,000	49,608
	<u>1,897,004</u>	<u>913,764</u>
Analysis by fund		
Unrestricted funds	515,652	326,309
Restricted funds	1,381,352	587,455
	<u>1,897,004</u>	<u>913,764</u>

ABDULLAH AID

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

6 Support costs	Support Governance costs £	Support Governance costs £	2020 Support costs £	2020 Support costs £	Governance costs £	2019 £	Basis of allocation
Staff costs	41,091	46,000	87,091	48,984	49,608	98,592	Staff costs
Depreciation	985	-	985	985	-	985	
Operating lease charges	13,371	-	13,371	20,757	-	20,757	Operating lease charges
Office costs	17,094	-	17,094	14,278	-	14,278	
Financial services costs	6,644	-	6,644	-	-	9,201	
Other costs	9,210	-	9,210	9,704	-	468	
	<u>88,395</u>	<u>46,000</u>	<u>134,395</u>	<u>94,708</u>	<u>49,608</u>	<u>144,316</u>	
Analysed between							
Fundraising	88,395	-	88,395	94,708	-	94,708	
Charitable activities	-	46,000	46,000	-	49,608	49,608	
	<u>88,395</u>	<u>46,000</u>	<u>134,395</u>	<u>94,708</u>	<u>49,608</u>	<u>144,316</u>	

Governance costs includes payments to the auditors of £6,000 (2019 - £3,750) for audit fees.

ABDULLAH AID

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

7 Trustees

During the year, one or more Trustees has been paid remuneration or has received other benefits from an employment with the Charity. The remuneration is for full time employment as CEO of the Charity and is approved by Board of Trustees. However this is not in accordance with the charities trust deed and governing documents. The value of Trustees' remuneration and other benefits was £46,000 (2019 - £46,108).

This has been disclosed by the charity to the charity commission post year end.

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - nil).

8 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Admin and management	3	3
Employment costs	2020 £	2019 £
Wages and salaries	41,091	48,984

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

9 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2020	3,940
At 31 December 2020	3,940
Depreciation and impairment	
At 1 January 2020	1,970
Depreciation charged in the year	985
At 31 December 2020	2,955
Carrying amount	
At 31 December 2020	985
At 31 December 2019	1,970

ABDULLAH AID

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

10 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	2,065	7,594
Trade creditors	204,855	-
Other creditors	5,779	-
Accruals and deferred income	10,000	9,249
	<u>222,699</u>	<u>16,843</u>

11 Restricted funds

Restricted fund relates to income raised for specific projects. During the year the charity raised income for various projects including Indonesia, Syria and Rohingya appeals and Tanzania / Gambia projects. At the year end, the Charity had no unspent income raised for specific projects:

12 Operating lease commitments

Lessee

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020 £	2019 £
Within one year	13,200	13,200
Between two and five years	52,800	52,800
In over five years	15,400	28,600
	<u>81,400</u>	<u>94,060</u>

13 Related party transactions

Transactions with related parties

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

	Purchase of goods	
	2020 £	2019 £
Charitable entities under common control of the trustees	<u>249,578</u>	<u>-</u>

ABDULLAH AID

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

14	Cash generated from operations	2020 £	2019 £
	Surplus/(deficit) for the year	163,945	(91,596)
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	985	985
	Movements in working capital:		
	Increase in creditors	205,856	2,944
	Cash generated from/(absorbed by) operations	370,786	(87,667)
15	Analysis of changes in net funds		
	The Charity had no debt during the year.		