

Charity registration number 1165916

**ABDULLAH AID**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

# ABDULLAH AID

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr R Patel	
	Mr U Patel	(Appointed 4 October 2022)
	Mr M Patel	(Appointed 4 October 2022)
<b>Charity number</b>	1165916	
<b>Principal address</b>	81 Upton Lane London E7 9PB	
<b>Auditor</b>	AMS Accountants Corporate Ltd Chartered Accountants Statutory Auditor Floor 2 9 Portland Street Manchester M1 3BE	
<b>Accountants</b>	MSP Associates (London) Limited Ground Floor Front 10 Cameron Road Seven Kings Ilford Essex IG3 8LA	
<b>Bankers</b>	HSBC Bank Plc Unit SU0023 Westfield Stratford City Leyton Road, Stratford London E15 1AA	
	Al Rayan Bank Plc 97-99 Whitechapel Rd London E1 1DT	

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# ABDULLAH AID

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# **ABDULLAH AID**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 DECEMBER 2021***

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The Trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Charities Act 2011 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.

#### **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.

#### **Emergency Appeal**

Our emergency appeals include support for Syrian refugees, supporting the people of Yemen and Palestine. Our projects in these countries include supporting families with food parcels, fresh clean water and empowering families to help them earn their own income and to become self-sufficient.

In 2021, we also supported victims of Covid-19 in India and Sri Lanka. These two countries were from amongst the worst affected areas in South Asia.

Along with the impact of Covid-19, India was struck by flooding in the region of Kokan. Abdullah Aid supported the victims of the floods with emergency food and household essentials.

The 2021 attacks in Gaza meant thousands of Palestinians were displaced, injured and in need of emergency relief. Abdullah Aid supported the victims with food, water, and empowerment projects

# **ABDULLAH AID**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### **Winter Warmth Appeal**

Winter Warmth appeal is run through the winter months where Abdullah Aid support families in countries such as Syria, Jordan, Lebanon, Pakistan, Palestine and Yemen.

### **Afghanistan**

Afghanistan faces brutal conditions during the winter period. Families face malnutrition. With the sanctions placed on the country, the economy took a huge hit causing food prices to rise severely. Abdullah Aid raised funds to help support the people with urgent food and water supplies.

### **Syria Shelters**

One of our most supported and popular projects was the Syrian shelter homes project. Abdullah Aid helped to move families living in tents into permanent shelters homes. Abdullah Aid supported hundreds of patients with free Covid-19 treatment. Thousands of families were unable to receive Covid-19 treatment due to lack of funds

### **The Gambia**

The Gambia is amongst the poorest countries in Africa. Abdullah Aid carried out various projects including medical, feeding, and food parcels, Masjid construction and Water wells.

In 2021 we started our village construction project. This project entailed building a village of 50 homes to improve the quality of life for the families.

### **Palestine Tahfeez Centre**

Abdullah Aid began construction of an education centre for Palestinian students. This centre facilitates for the Islamic and secular education for those who are unable to afford an education.

### **Rohingya**

Rohingya camps were hit by a deadly fire which destroyed hundreds of homes. Abdullah Aid helped to build shelters for the families whose homes were destroyed along with providing food parcels and meals to the families.

# **ABDULLAH AID**

## **TRUSTEES' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2021***

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### **Pakistan**

Along with our regular food, water and empowerment projects,

Abdullah Aid began the constructing of a school in Pakistan to support poverty-stricken families and orphans with a fully equipped and serviced facility for learning.

This school will be a huge upgrade for the students who were studying in tin shelters with barely any equipment.

### **Tanzania**

As part of our work, Abdullah Aid carry our regular projects in Tanzania including food parcels, shelter, cash support, feeding and Masjid construction.

In 2021, We helped to rebuild lives through shelter constructions. Mosques were built to help communities perform daily prayers and hold classes to better the education for local adults and children.

Abdullah Aid also supported towards medical projects including the distribution of medicine, and carrying out operations to improve the health and wellbeing of patients.

### **Imaam Support**

This project was initiated to help Imaams who were not earning enough to sustain their daily living costs.

Covid-19 had a huge impact on the lives of Imaams as daily living costs increased and many were out of their jobs. The financial support we provided helped ease the burden for the Imaams and improved their lives.

### **Olive Trees**

Our Olive tree project aims to support the people of Palestine. Each tree that is planted will provide farmers & locals olives and oil.

### **Eye Cataract - Pakistan**

Abdullah Aid supported the eye cataract project in Pakistan. This project is a great source of help for families or individuals who suffer from poor vision. The cataract project empowers and gives hope to individuals who find day-day task extremely difficult.

### **Eye Cataract**

Abdullah Aid are constructing Masjids across multiple countries in order to provide a community a place of worship. Each Masjid construction is monitored by our ground teams.

The Masjid construction project has resulted in community cohesion and has helped improve the standard of lives of thousands.

Through our masjid constructions, we are able to help local communities in education and welfare. Many Masjids are a hub for our team to arrange distributions.

# **ABDULLAH AID**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **Financial review**

The result for the year showed a surplus of £501,250 (2020: £163,945).

At the year end, the Charity had unrestricted reserves of £763,800 (2020: £262,550) and restricted reserves of £nil (2020: £nil).

The Trustees consider that the ideal level of reserves should cover six months support and governance costs which is £98,269.

At the year end, the Charity had free reserves of £763,800. 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 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.

#### **Plans for future periods**

The charities goals and plans for the future will be to maintain current global endeavors 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 served during the year and up to the date of signature of the financial statements were:

Mr S Malji	(Resigned 4 October 2022)
Mr R Patel	
Mr S Patel	(Resigned 4 October 2022)
Mr U Patel	(Appointed 4 October 2022)
Mr M Patel	(Appointed 4 October 2022)

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.

# **ABDULLAH AID**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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#### **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 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.



# ABDULLAH AID

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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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 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 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 of the Charity 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 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 sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

  
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Mr R Patel

**Chair of Trustees**

11 July 2023

# ABDULLAH AID

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF ABDULLAH AID

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### Opinion

We have audited the financial statements of Abdullah Aid (the 'Charity') for the year ended 31 December 2021 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 charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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.

### 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.

# ABDULLAH AID

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF ABDULLAH AID

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#### Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 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.

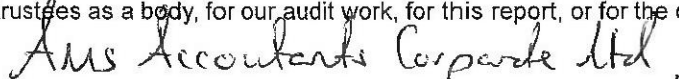
#### Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

#### 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 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Mr David Clegg BFP FCA (Senior Statutory Auditor)**  
for and on behalf of AMS Accountants Corporate Ltd

11 July 2023

**Chartered Accountants**  
**Statutory Auditor**

Floor 2  
9 Portland Street  
Manchester  
M1 3BE

# ABDULLAH AID

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b>Income from:</b>							
Donations and legacies	3	1,533,476	4,197,200	5,730,676	785,600	1,381,352	2,166,952
<b>Expenditure on:</b>							
Raising funds	4	189,265	-	189,265	106,003	-	106,003
Charitable activities	5	842,961	4,197,200	5,040,161	515,652	1,381,352	1,897,004
<b>Total expenditure</b>		<b>1,032,226</b>	<b>4,197,200</b>	<b>5,229,426</b>	<b>621,655</b>	<b>1,381,352</b>	<b>2,003,007</b>
<b>Net income for the year/ Net movement in funds</b>		<b>501,250</b>	<b>-</b>	<b>501,250</b>	<b>163,945</b>	<b>-</b>	<b>163,945</b>
Fund balances at 1 January 2021		262,550	-	262,550	98,605	-	98,605
<b>Fund balances at 31 December 2021</b>		<b>763,800</b>	<b>-</b>	<b>763,800</b>	<b>262,550</b>	<b>-</b>	<b>262,550</b>

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

All income and expenditure derive from continuing activities.

# ABDULLAH AID

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	10		-		985
<b>Current assets</b>					
Cash at bank and in hand		1,462,948		484,264	
<b>Creditors: amounts falling due within one year</b>	11	(699,148)		(222,699)	
Net current assets			763,800		261,565
<b>Total assets less current liabilities</b>			763,800		262,550
<b>Income funds</b>					
Unrestricted funds			763,800		262,550
			763,800		262,550

The financial statements were approved by the Trustees on 11 July 2023



Mr R. Patel

Trustee

# ABDULLAH AID

## STATEMENT OF CASH FLOWS

*FOR THE YEAR ENDED 31 DECEMBER 2021*

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	15	978,684		370,786	
<b>Net cash used in investing activities</b>			-		-
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>		978,684		370,786	
Cash and cash equivalents at beginning of year		484,264		113,478	
<b>Cash and cash equivalents at end of year</b>		<u>1,462,948</u>		<u>484,264</u>	

# ABDULLAH AID

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

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### 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 Charities Act 2011, 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 have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention. 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 vulnerable 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.

# ABDULLAH AID

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### 1.4 Income

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

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

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

#### 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.



# ABDULLAH AID

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 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.

# ABDULLAH AID

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	1,206,613	4,197,200	5,403,813	572,221	1,381,352	1,953,573
Legacies receivable	289,226	-	289,226	170,629	-	170,629
Government grant income	37,637	-	37,637	42,750	-	42,750
	<u>1,533,476</u>	<u>4,197,200</u>	<u>5,730,676</u>	<u>785,600</u>	<u>1,381,352</u>	<u>2,166,952</u>

# ABDULLAH AID

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 4 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Advertising	50,727	17,608
Support costs	138,538	88,395
	<u>189,265</u>	<u>106,003</u>
Fundraising and publicity	<u>189,265</u>	<u>106,003</u>

### 5 Charitable activities

	Food, shelter and other relief work	Food, shelter and other relief work
	2021	2020
	£	£
Charitable expenditure	4,982,161	1,851,004
Share of governance costs (see note 6)	58,000	46,000
	<u>5,040,161</u>	<u>1,897,004</u>
<b>Analysis by fund</b>		
Unrestricted funds	842,961	515,652
Restricted funds	4,197,200	1,381,352
	<u>5,040,161</u>	<u>1,897,004</u>

# ABDULLAH AID

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

6 Support costs	Support Governance costs £	Support Governance costs £	2021 £	Support Governance costs £	2020 £	Basis of allocation
Staff costs	62,458	-	62,458	41,091	41,091	
Depreciation	985	-	985	985	985	
Operating lease charges	13,793	-	13,793	13,371	13,371	
Office costs	23,433	58,000	81,433	17,094	63,094	
Financial services costs	11,382	-	11,382	6,644	6,644	
Other costs	26,487	-	26,487	9,210	9,210	
	<u>138,538</u>	<u>58,000</u>	<u>196,538</u>	<u>88,395</u>	<u>134,395</u>	
Analysed between						
Fundraising	138,538	-	138,538	88,395	88,395	
Charitable activities	-	58,000	58,000	-	46,000	
	<u>138,538</u>	<u>58,000</u>	<u>196,538</u>	<u>88,395</u>	<u>134,395</u>	

Governance costs includes payments to the auditors of £12,000 (2020- £6,000) for audit fees.

# ABDULLAH AID

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 7 Trustees

During the year a Trustee has been paid remuneration 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 £58,000 (2020- £46,000).

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

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - nil).

### 8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Admin and management	4	3
	<u>          </u>	<u>          </u>
<b>Employment costs</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	62,458	41,091
	<u>          </u>	<u>          </u>

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

### 9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# ABDULLAH AID

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 10 Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 1 January 2021	3,940
At 31 December 2021	3,940
<b>Depreciation and impairment</b>	
At 1 January 2021	2,955
Depreciation charged in the year	985
At 31 December 2021	3,940
<b>Carrying amount</b>	
At 31 December 2021	-
At 31 December 2020	985

### 11 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	2,367	2,065
Trade creditors	672,094	204,855
Other creditors	8,937	5,779
Accruals and deferred income	15,750	10,000
	699,148	222,699

### 12 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, Mosque projects, Sri Lanka, Afghanistan and Tanzania / Gambia projects.

At the year end, the Charity had no unspent income raised for specific projects.

### 13 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:

2021 £	2020 £
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# ABDULLAH AID

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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<b>13</b>	<b>Operating lease commitments</b>		<b>(Continued)</b>
	Within one year	13,200	13,200
	Between two and five years	47,300	52,800
	In over five years	-	15,400
		<u>60,500</u>	<u>81,400</u>
<b>14</b>	<b>Related party transactions</b>		
	There were no disclosable related party transactions during the year (2020 - none).		
<b>15</b>	<b>Cash generated from operations</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Surplus for the year	501,250	163,945
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	985	985
	Movements in working capital:		
	Increase in creditors	476,449	205,856
	<b>Cash generated from operations</b>	<u>978,684</u>	<u>370,786</u>
<b>16</b>	<b>Analysis of changes in net funds</b>		
	The Charity had no debt during the year.		

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