

Charity registration number: 1167943

# SAVE AN ORPHAN (INTERNATIONAL)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

## **SAVE AN ORPHAN (INTERNATIONAL)**

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## **SAVE AN ORPHAN (INTERNATIONAL)**

### **Reference and Administrative Details**

<b>Trustees</b>	Mumtaz Bostan Sadhia Ahmed Sam Ghasemi Faridi
<b>Principal Office</b>	City West Office Park Gelderd Road Building 3 LEEDS LS12 6LN
<b>Charity Registration Number</b>	1167943
<b>Bankers</b>	Al Rayan

## **SAVE AN ORPHAN (INTERNATIONAL)**

### **Trustees Report**

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2020.

#### **Objectives and activities**

##### **Objects and aims**

The governing scheme defines the charity's objects as being to:

- a) The prevention or relief of poverty or financial hardship anywhere in the world by providing or assisting in the provision of education, training, healthcare objects and all the necessary support designed to enable individuals to generate a sustainable income and be self-sufficient.
- b) The relief of financial need and suffering amongst victims of natural or other kind of disasters in the form of money or other means deemed suitable for persons, bodies, organisations, and/or countries affected, including the provision of medical aid.
- c) To promote such or other charitable purposes as may from time to time be determined and agreed by the trustees.

##### **Objectives, strategies and activities**

During the period the charity has been dormant, focusing on the transfer of assets and control from the previous trustees. During the period, the new trustees planned and agreed the future direction of the charity based on its strengths and opportunities to better serve orphans worldwide.

##### **Public benefit**

The section of this report above entitled 'Objectives and activities' sets out the objects and aims of the charity. The Achievements and performance below discusses on how public benefit was achieved during the period.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

##### **Achievements and performance**

The charity remained dormant during the year due to banking issues. These have now been resolved.

##### **Financial review**

During the period, the charity received total income of £886 (2019: £133k). Total expenditure in the year was £4.7k (2019: £142k). End of year carried-forward reserves stood at £81k (2019: £85k).

##### **Policy on reserves**

The charity does not have a formal reserves policy. However the current reserves are deemed to be sufficient for the charity's future needs.

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

###### **Aims and key objectives for future periods**

The new Trustees are determined to build on the work already done by the charity. Once the handover from Penny Appeal is complete and the Trustees are able to take over the donor database, fund raising platforms and the charity bank account, the Trustees plan to re-launch the charity in Ramadan 2021.

The charity plans to work with International partners to deliver its projects abroad.

##### **Structure, governance and management**

###### **Nature of governing document**

The charity is constituted as a Charitable Incorporated Organisation (CIO) Foundation, as a body corporate under Part 11 of the Charities Act 2011 on the June 2016. The CIO registered with the Charity Commission on the same day. Trustees are legally responsible for the governance and management of the charity. Trustees are responsible for setting strategies and policies for ensuring these are implemented.

## **SAVE AN ORPHAN (INTERNATIONAL)**

### **Trustees Report**

#### ***Recruitment and appointment of trustees***

The Trustees terms had expired, and they were replaced by new Trustees by the Charity Commission by way of an order on the 10th June 2020. These new Trustees are appointed for a fixed period, after this period they can either be reappointed by the Board of Trustees. The existing trustees can induct new trustees based on needs of the charity.

#### ***Arrangements for setting key management personnel remuneration***

The Trustees appoint the key management. During this period there was a creative director was employed as key management.

#### ***Organisational structure***

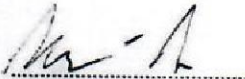
The charity is constituted as a Charitable Incorporated Organisation (CIO) Foundation, as a body corporate under Part 11 of the Charities Act 2011 on the June 2016. The CIO registered with the Charity Commission on the same day.

Trustees are legally responsible for the governance and management of the charity. Trustees are responsible for setting strategies and policies for ensuring these are implemented.

#### ***Funds held as custodian trustee on behalf of others***

No assets are held on behalf of other charities.

The annual report was approved by the trustees of the charity on 11/4/21 and signed on its behalf by:



Mumtaz Bostan  
Trustee



## **SAVE AN ORPHAN (INTERNATIONAL)**

### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities 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 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 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 business.

The trustees are responsible for keeping proper 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 applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees 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.

## SAVE AN ORPHAN (INTERNATIONAL)

### Statement of Financial Activities for the Year Ended 31 December 2020

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Income and Endowments from:</b>				
Donations and legacies		886	-	886
Total income		886	-	886
<b>Expenditure on:</b>				
Raising funds		(700)	-	(700)
Charitable activities		(3,964)	-	(3,964)
Total expenditure		(4,664)	-	(4,664)
Net expenditure		(3,778)	-	(3,778)
Gross transfers between funds		(2,707)	2,707	-
Net movement in funds		(6,485)	2,707	(3,778)
<b>Reconciliation of funds</b>				
Total funds brought forward		64,577	19,942	84,519
Total funds carried forward	11	58,092	22,649	80,741

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
<b>Income and Endowments from:</b>				
Donations and legacies		55,087	77,716	132,803
Total income		55,087	77,716	132,803
<b>Expenditure on:</b>				
Raising funds		(23,590)	(81,129)	(104,719)
Charitable activities		(6,678)	(30,811)	(37,489)
Total expenditure		(30,268)	(111,940)	(142,208)
Net income/(expenditure)		24,819	(34,224)	(9,405)
Net movement in funds		24,819	(34,224)	(9,405)
<b>Reconciliation of funds</b>				
Total funds brought forward		39,758	54,166	93,924
Total funds carried forward	11	64,577	19,942	84,519

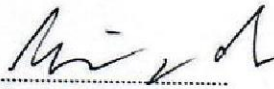
All of the charity's activities derive from continuing operations during the above two periods.

**SAVE AN ORPHAN (INTERNATIONAL)**

**(Registration number: 1167943)**  
**Balance Sheet as at 31 December 2020**

	Note	2020 £	2019 £
<b>Current assets</b>			
Cash at bank and in hand	9	81,341	87,520
<b>Creditors: Amounts falling due within one year</b>	10	<u>(600)</u>	<u>(3,001)</u>
<b>Net assets</b>		<u>80,741</u>	<u>84,519</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		22,649	19,942
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>58,092</u>	<u>64,577</u>
<b>Total funds</b>	11	<u>80,741</u>	<u>84,519</u>

The financial statements on pages 5 to 13 were approved by the trustees, and authorised for issue on 11/4/21 and signed on their behalf by:

  
.....  
Muntaz Bostan  
Trustee



## **SAVE AN ORPHAN (INTERNATIONAL)**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **1 Accounting policies**

##### **Statement of compliance**

The financial statements have been prepared 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

##### **Basis of preparation**

SAVE AN ORPHAN (INTERNATIONAL) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

##### **Going concern**

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

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### **Donations and legacies**

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

##### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

##### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

##### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

##### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

##### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## **SAVE AN ORPHAN (INTERNATIONAL)**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### **Classification**

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### **Recognition and measurement**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.



## SAVE AN ORPHAN (INTERNATIONAL)

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### **Debt instruments**

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

#### **Investments**

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

#### **Derivative financial instruments**

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

#### **Fair value measurement**

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

## SAVE AN ORPHAN (INTERNATIONAL)

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 2 Income from donations and legacies

	Unrestricted funds General £	Total 2020 £	Total 2019 £
Donations and legacies;			
Donations from individuals	886	886	132,803
	<u>886</u>	<u>886</u>	<u>132,803</u>

#### 3 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	Unrestricted funds £	Total 2020 £	Total 2019 £
Donations	700	700	104,719
	<u>700</u>	<u>700</u>	<u>104,719</u>

#### 4 Expenditure on charitable activities

	Activity undertaken directly £	Total 2020 £	Total 2019 £
Orphans	-	-	24,049
General	3,964	3,964	6,678
Water wells	-	-	3,504
Food Packs	-	-	2,553
Qurbani	-	-	416
Emergency	-	-	289
	<u>3,964</u>	<u>3,964</u>	<u>37,489</u>

#### 5 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2020 £
Legal and professional fees	3,600	3,600
	<u>3,600</u>	<u>3,600</u>

#### 6 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.



## SAVE AN ORPHAN (INTERNATIONAL)

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 7 Staff costs

The aggregate payroll costs were as follows:

	2019 £
<b>Staff costs during the year were:</b>	
Wages and salaries	34,621
Social security costs	16,964
Pension costs	<u>2,677</u>
	<u>54,262</u>

There were no employees during the 2020 period.

No employee received emoluments of more than £60,000 during the year

The total employee benefits of the key management personnel of the charity were £Nil (2019 - £54,262).

# **SAVE AN ORPHAN (INTERNATIONAL)**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

### **8 Taxation**

The charity is a registered charity and is therefore exempt from taxation.

### **9 Cash and cash equivalents**

	2020 £	2019 £
Cash at bank	<u>81,341</u>	<u>87,520</u>

### **10 Creditors: amounts falling due within one year**

	2020 £	2019 £
Accruals	<u>600</u>	<u>3,001</u>

### **11 Funds**

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
<i>General</i>					
General	64,577	886	(4,664)	(2,707)	58,092
<b>Restricted funds</b>					
Emergency	347	-	-	-	347
Food Packs	3,091	-	-	-	3,091
Orphans	(2,707)	-	-	2,707	-
Qurbani	18,036	-	-	-	18,036
Shelter	172	-	-	-	172
Water wells	<u>1,003</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,003</u>
<b>Total restricted funds</b>	<u>19,942</u>	<u>-</u>	<u>-</u>	<u>2,707</u>	<u>22,649</u>
<b>Total funds</b>	<u>84,519</u>	<u>886</u>	<u>(4,664)</u>	<u>-</u>	<u>80,741</u>

# **SAVE AN ORPHAN (INTERNATIONAL)**

## **Notes to the Financial Statements for the Year Ended 31 December 2020**

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>				
<i>General</i>				
General	39,758	55,087	(30,268)	64,577
<b>Restricted funds</b>				
Emergency	669	730	(1,052)	347
Food Packs	5,927	6,440	(9,276)	3,091
Orphans	24,004	60,656	(87,367)	(2,707)
Qurbani	18,498	1,050	(1,512)	18,036
Shelter	172	-	-	172
Water wells	4,896	8,840	(12,733)	1,003
<b>Total restricted funds</b>	<u>54,166</u>	<u>77,716</u>	<u>(111,940)</u>	<u>19,942</u>
<b>Total funds</b>	<u>93,924</u>	<u>132,803</u>	<u>(142,208)</u>	<u>84,519</u>

### **12 Analysis of net assets between funds**

	Unrestricted funds General £	Restricted funds £	Total funds 2020 £
Current assets	58,692	22,649	81,341
Current liabilities	(600)	-	(600)
<b>Total net assets</b>	<u>58,092</u>	<u>22,649</u>	<u>80,741</u>

	Unrestricted funds General £	Restricted funds £	Total funds 2019 £
Current assets	22,943	64,577	87,520
Current liabilities	(3,001)	-	(3,001)
<b>Total net assets</b>	<u>19,942</u>	<u>64,577</u>	<u>84,519</u>

### **13 Related party transactions**