



Annual Report

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www.lonelyorphans.org

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Legal & Administrative

Lonely Orphans is a registered Non-Profit charity. It is registered in the UK with the Charity Commission. Charity Registration Number is 1171230.

It is also a Companies House registered entity. The company is a Private Limited Company by guarantee without share capital and use of 'Limited' exemption. The company number is 08528320.

Trustees:

Mr. Kona Miah
Mr. Nazrul Islam
Mr. Khaled Mahmud

Company Reg No:

8528320

Charity Reg No:

1171230

Principal Office:

78 Cambridge Heath Road
London E1 5QJ
The charity is incorporated in the
UK.

Independent Examiner:

BRN Accountants Limited
Chartered Accountants
12 Summer Hill Street
Birmingham
B12 PE

The Trustees are appointed by the Members of the Charity in general meeting and all Trustees are Members of the Charity and Company. The trustees are required to follow the policies applicable to them. The core governing documents are the Memorandum and Articles of Association.

Message From The Chair



Kona Miah
Chair of Trustees

Together, we're saving lives. Together, we're one family.



The year ending December 2021 has been one of transformation and challenge. Over the past twelve months, the charity has continued to support orphans, vulnerable children and their communities across the countries we work in despite the challenges posed by the Covid-19 pandemic. Throughout it all, our amazing supporters and partners continued to stand together with us in saving lives and being a family to those that have no family.

I would like to recognise the efforts of our colleagues, our staff and volunteers, many of whom faced their own challenges during the pandemic but remained committed to helping transform lives of children suffering around the world. I must also pay tribute to the local community groups that supported our efforts in their own way. Their efforts have been a lifeline for so many children.

As a charity, we are taking steps to improve our approaches and the impact of our work all across board. We are actively engaged in exploring community partnerships and collaborations to further our cause. The report will show how through our work we are addressing United Nations Sustainable Development Goals (SDG's) and our commitment to them.

On behalf of everyone at Lonely Orphans, I would like to thank all of our supporters and partners for their support over the past year. Thanks to your efforts, we were able to fund projects that'll help transform the lives of orphans, vulnerable children and their communities in the countries we work in. As we move forward, we will remember that every day, in communities around the world, there are millions of children facing challenges too complex and difficult to overcome alone.



Together, we can give them hope for a brighter future.

Together, we're saving lives.
Together, we're one family.

Kona Miah
Chair of Trustees

Two handwritten signatures in black ink. The first signature is a stylized 'K' followed by a horizontal line, representing Kona Miah. The second signature is a more fluid, cursive script.



About Us

Lonely Orphans is an international development organisation based in the UK. Lonely Orphans operate in Bangladesh, Indonesia, Thailand, and Turkey, with some projects completed in Yemen, Chad, Mauritania and Myanmar.



Lonely Orphans' work is focused predominantly with orphans, vulnerable children and their communities.

The organisation states that its vision is a world where all people are dealt with justice and equality, and support for those most in need is bespoke that impacts generations sustainably.

Its mission is to offer relief of poverty and sickness, as well as the advancement of education for orphans, their families and communities throughout the world. Specifically through the provision of accommodation, support, food, medical treatment, education, emergency aid as well as a variety of innovative and unique projects with a particular focus on development and sustainability.





2012

In 2012 there was a collective of concerned people which included local proactive community members and some state school teachers from the UK to organise fundraising activities in the UK for charitable causes for the needy.

By 2013 there was little coverage on the situation of Rohingya Minority communities who were being persecuted in Myanmar, it was clear that the most vulnerable among the internally displaced people, who then escalated to being refugees in Bangladesh, were orphans and widows. So a campaign was launched to help support those in need.

2013



2014

In 2014, as part of the continuation of Lonely Orphans projects with the Rohingya people, the organisation proceeded to work with Human Trafficking Victims in Indonesia.

By 2016 Lonely Orphans was able to establish 6 Orphanages and Schools were built to deal with the first wave of Rohingya Refugees from the most recent Rohingya Genocide crisis.

2016



2017 - 2018

2017 to 2018 witnessed one of the biggest escalation with the persecution of the Rohingya Genocide, Lonely Orphans was one of the first responders on the ground as there were teams already on the ground working in the region with the Rohingya Refugees. This support continues even to till now.



2018

In September 2018 there was a Tsunami and Earthquake in Indonesia, Palu. Lonely Orphans was one of the few UK charities that was with one of the first responders from a coalition of charities and disaster response teams from Indonesia, they were on the ground providing much needed food and medical support for those in need.

2019 Lonely Orphans proceeded to work with Uyghur Exiles, as well as prospect projects in Thailand with the Melayu communities in the South Thailand region. This was part of the organic growth of Lonely Orphans.

2019



2019 - 2020

End of 2019 to 2020 Lonely Orphans continued to offer help and support for the countries and projects we were working with despite the difficulties caused by the global pandemic of COVID19, Lonely Orphans was able provide much needed support for the teams on the ground who had little to no support from their local government. Lonely Orphans even managed to expand its commitment with the Uyghur Community in Turkey.



2021-2022

2021 through to 2022 Lonely Orphans have so far launched another new school in Turkey for the Uyghur community as well as piloting a medical delegation for Mauritania. Lonely Orphans also developed a unique project providing Laptop skills training for Refugees with Laptops eventually to be given to the potential graduates.

Sustainable Development Goals

The SDGs (Sustainable Development Goals) are a set of agreements and goals set up by the United Nations General Assembly with a set of 17 goals that are hoped to be addressed by leading nations by 2030. Lonely Orphans has ensured most, if not all of its projects are helping contribute to some of those goals globally as they fit well within our aims and objectives. Lonely Orphans has identified that its projects and activities directly address 7 of the 17 SDGs agreed. They are as follows;



SDG 1 is to: "End poverty in all its forms everywhere"



SDG 2 is to: "End hunger, achieve food security and improved nutrition, and promote sustainable agriculture".



SDG 3 is to: "Ensure healthy lives and promote well-being for all at all ages".



SDG 4 is to: "Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all".



SDG 5 is to: "Achieve gender equality and empower all women and girls".



SDG 6 is to: "Ensure availability and sustainable management of water and sanitation for all".



SDG 16 is to: "Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels".

As we progress through the activities of Lonely Orphans we will highlight how each of these SDGs are addressed



Financial Activities



Education

1 NO POVERTY



4 QUALITY EDUCATION



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



A good education is the right of every child in the world. Unfortunately, today, nearly 80 million children of primary education age are not in school. This means they will not receive the skills necessary to end the cycle of poverty. To add to this, approximately 800 million adults around the world are illiterate, and do not have the awareness of what is needed to improve the living conditions for themselves and their children.



At Lonely Orphans, we firmly believe that a strong education is fundamental to reduce poverty and thus we focus much of our efforts on providing free education to children living in dire poverty. We have established schools in Bangladesh for local poor children, inside the Rohingya refugee camps for Rohingya children and in Turkey for Uyghur children. We are expanding our education program and looking to set up schools in other areas of Bangladesh, as well as setting up schools in Southern Thailand.

As well as providing free hot meals for all pupils, we give our pupils a school uniform and educational resources (school bags, books and equipment). Our schools focus on teaching a wholesome and vibrant education curriculum ranging from Local Language, Mother Tongue Language Studies, Mathematics, Science, English, Cultural Studies, Digital Skills and Life Skills.

A good education is the right of every child in the world. Unfortunately, today, nearly 80 million children of primary education age are not in school. This means they will not receive the skills necessary to end the cycle of poverty. To add to this, approximately 800 million adults around the world are illiterate, and do not have the awareness of what is needed to improve the living conditions for themselves and their children.



IMPACT:

Bangladesh:	6 Schools
Rohingya Refugee Camps:	6 Schools
Turkey (for Uyghur Children):	2 Schools

1100 children on a daily basis

1,782,000 millions hours of free education provided around the world.

Our education projects address SDG 4, which is to: "Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all". More often than not a lot of the activities and fundraising activities also have been motivation to help with SDG 16 which states: "Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels". The reason for this is because we believe that raising awareness in our campaigns for the right to education actively promotes and addresses the need for justice and equality as well as directly addressing the educational needs of all those in need while also addressing SDG 1.



Food security is a basic need for every human being. Yet today in 2021, 828 millions children, women and men around the world do not have adequate food to survive, on a daily basis. That is nearly 10% of the world's population! Unfortunately, children and the vulnerable are the most likely to face food poverty and this must change!

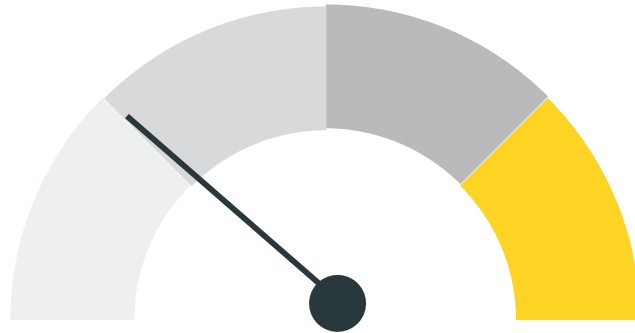


At Lonely Orphans, we place a strong focus on food security, as we have found that to be a determining factor to good health, a strong education and a positive mindset; all of which are needed to eradicate long term poverty. To ensure our pupils are receiving the strongest education possible, we make sure that each and every child is fed a hot nutritional meal at lunch time, every day. This has a direct impact on their learning and educational attainments, as well as reducing the burden on the family of providing another meal for their child and/or children.

In addition to this, we provide food to the poor families of our school children, and their communities, to ensure that communities as a whole are able to focus their efforts on increasing their productivity and income, without the need to worry about food, until they are no longer in need of support.

Impact locations:

Bangladesh | Rohingya Refugee Camps | Turkey | Indonesia
Thailand | Chad (Africa)



120,000

School meals



This activity addresses SDG 2, to: "End hunger, achieve food security and improved nutrition, and promote sustainable agriculture". These types of activities are there to address food security issues for all our beneficiaries who are in need. Countries like Bangladesh we have assessed to have more need and constant contribution for it, whereas other countries like Turkey and Thailand, we note that their demands have been seasonal. We are constantly looking for ways to maintain a sustainable and long-term solution to help address food insecurities and hunger in general among our beneficiaries.



1,120,000

Meals provided to
children & families



Emergency

1 NO
POVERTY



2 ZERO
HUNGER



Emergency situations arise when they are least expected, causing devastation and turmoil to communities and families throughout the world. Every year, we see war, oppression, civil unrest, flooding and other natural disasters turning people's lives upside down.



It is crucial that during these difficult times, we respond to alleviate people's suffering and hardship. This year, the emergency response from Lonely Orphans was focused on supporting families impacted by the numerous fires that tore through the various Rohingya refugee camps in Bangladesh. We ensured that families who lost their homes were rehoused, whilst repairing homes that had fire damage. We also ensure families receive

urgently needed emergency packs to protect them from the cold weather. This included thermal blankets and thermal floor mats, as well as weather proofing for their homes. We also distributed emergency food packs so that children and families were not left hungry during this period.

700

beneficiaries of
rehousing and home
repair program

2,500

beneficiaries from
emergency fire relief
packs

IMPACT:

40,000

meals provided to
emergency relief victims

In any situation of disaster and emergency response they often give opportunity to highlight the plight or circumstances of particular long-term situations and communities, it is with this we are able to address a multitude of SDGs in our focus for providing relief. Here for example the food relief would directly add to SDG 2 as well as the fact in general often in the case of disasters and emergencies the people who suffer the most are impoverished and any support for them is definitely addressing SDG 1.



Winter is always a difficult time of year for everyone around the world, including those living in the west. The consequences of living without adequate heating, shelter, clothing and food during the winter months is devastating.



Lonely Orphans winter projects give warmth to thousands of children and families living in rural areas, through our winter survival packs. Having a warm coat to wear means that children can continue attending school on the coldest days and having a thermal blanket to sleep under, means they can wake up warm, ready for the day ahead. We also provided poor families with staple foods to last through the winter nights, so the children could eat hot meals every day.



Impact:

Bangladesh - Rohingya Refugee Camps / Turkey



7,000

Winter Survival packs beneficiaries



40,000

meals provided to winter beneficiaries.



This activity of Lonely Orphans addresses SDG 3.



Every minute one new-born dies, due to the lack of safe drinking water and unclean environment. This is a shocking statistic that can be changed! Nearly 800 million people do not have access to clean water near their homes, that's 1 in 10 people in the world who have to travel up to 5km per day carrying jugs of fresh water.



Each year, Lonely Orphans build water wells for rural families and communities who have no or little access to clean water. These simple wells drastically change the quality of lives for children and families, ensuring they have clean water on their doorsteps.

Impact: Bangladesh - Rohingya Refugee Camps



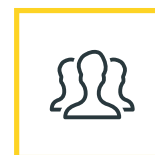
37

Hand Pump Wells



7

Deep Tube Wells



2,265

Beneficiaries

As part of our focus in addressing the SDG 6, we have active water well and sanitation projects.

Shelter & Settlements



Millions of families around the world are living in inadequate housing and makeshift shelters that offer little or no protection from the elements.

Lonely Orphans believe every child and family deserve the chance to have a home to be proud of, and a home where children can flourish in. We have been building shelters for refugees since 2015, and have provided homes for thousands of beneficiaries, to live and grow in.

Impact: Bangladesh - Rohingya Refugee Camps



140

Shelters re-built



700

Beneficiaries of rehousing program

Providing shelters for the people to help give the impoverished people an opportunity to not worry about where they will sleep, so they can focus on getting themselves out of poverty.

All of the activities of Lonely Orphans address SDG 1, as all of our beneficiaries are people who are considered ultra-poor and below the poverty line.



“ Successfully moving forward during and beyond COVID-19, with our vision grounded was the goal.

Trustees



Trustees Statement

2021 has been a year of change, adaptation and growth for Lonely Orphans. A change in leadership meant revisiting and realigning founding visions to ensure the foundations were set before traversing on the path of growth. Successfully moving forward during and beyond COVID-19, with our vision grounded was the goal.

With a new vigour, there were strategic changes throughout the organisation, particularly focusing on a few key areas, such as the Programmes and Finance department. Through new, restructured departments, the focus was to ensure implementations of processes are to a higher quality of standards, setting benchmarks for the organisation to be exemplary models in the sector.

The changes throughout 2021 have had great positive impacts on our delivery of international and local charitable projects, with more qualitative monitoring and evaluation frameworks in place to ensure beneficiary impacts are of highest importance.



Review of the Charity's Financial Position at the End of the Period

Lonely Orphans had an income of £891,084. From this amount, we had a restricted amount of £68,703 to spend on projects, but we spent £620,329. Therefore, overspending on our projects by £551,626.

Lonely Orphans prioritises its projects and therefore the overspend amount was taken from the total of General/Unrestricted income we received in 2021, which totalled to £822,381.

In all the activities Lonely Orphans continues its commitment to ensure that we are up to date with the charity sector and any standards that are required of us by law or recommendations from the Charity Commissions we try our absolute level best to implement and adopt. With regards to public funds we maintain great regard and diligence for the sake of achieving the objectives and progressing the organization's mission as efficiently as possible.

Statement on Reserve Policy

Lonely Orphans Reserve Policy during this period is 12 months of average operational expenditure to ensure ample time to prepare for any unforeseen circumstances. This will ensure all projects can be maintained for at least one year.

Lonely Orphans Statement of Trustees' Responsibilities


The trustees (who are also the directors of Lonely Orphans for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 13 September 2022 and signed on its behalf by:

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

Kona Miah
Chair of Trustees

Future Plan & Risk Management

The future of Lonely Orphans shows us continuing our work with the marginalised and persecuted within the framework of our existing aims and mission. We hope to solidify and improve the quality of our works in Turkey and Bangladesh. We are looking to sustain our commitment in Indonesia and scale up sustainable projects in Thailand. We hope to launch an advocacy campaign for the Melayu community in Thailand. We have general interest in implementing projects in Africa, recently we commissioned a community centre in Tanzania as pilot for more projects in the future. There will be a strong focus on improving the infrastructure and efficiency of each of our projects and country profiles.

With all these plans in the pipeline, we at Lonely Orphans have to ensure a safe and diligent approach that is in line with conduct expected of a charitable organisation globally. We are constantly evaluating each country with respect to our risk appetite. Every country and potential project is put through our internal systems in place to ensure that they meet our criterion and are supportive of our overall organisational objectives.

These include continued Monitoring and Evaluation visits, our internal records of all monitoring, evaluations, evaluation, analysis and learnings. All of our projects are carefully vetted and updated in real time from teams in the UK and abroad.

We ensure that we take a very simple and universal approach in managing our risks, in all our processes and records we have the opportunity to identify any potential risks and are monitored via our risk register. We should make a clear and concise assessment of these risks and ensure appropriate mitigation measures are put in place. This would act as part of "Control" part of the risk management process; we would also be Monitoring throughout to ensure that the mitigating action was sufficient. Lonely Orphans is absolutely determined to ensure that all risks within our ability to manage and mitigate we have the processes in place to address that.

This is important to us to be able to competently demonstrate managing the donations of the community properly in order to build trust, integrity and reliability.

Structure, Governance & Management

Governance Arrangements

As a registered charity and company limited by guarantee Lonely Orphans is governed by company and charity law and by The Statement of Recommended Practice, Charities SORP second edition (FRS 102), issued by the Charities Commission in October 2019. The SORP sets out the accounting practices and disclosure required by charities in their annual accounts. The Trustees have followed its recommendations and applicable accounting standards in presenting these accounts.

Trustee Appointment and Chair

The Trustees are appointed by the Members of the Charity in general meeting and all Trustees are Members of the Charity and Company.

Management

The Board of Trustees holds formal meetings at least four times a year. In this financial year, the board has met formally 4 times. In between these meetings, matters are progressed through the delegation of actions to Officers of the Charity.

Key Responsibilities of Trustees

The following points outline the key responsibilities of Trustees.

- agree the strategic direction and policy of the Charity;
- agree the annual operating and investment budgets;
- execute all legal responsibilities in connection with the Charity;
- be aware of the content of the Charity's Articles of Association in order to comply with the Charity Commission regulations;
- support the Chair in ensuring that the Charity is following best practice in terms of its business rigour;
- provide expertise and insight into key areas of activity for the Charity; and
- represent the Charity when required.

Lonely Orphans Independent Examiner's Report to the trustees of Lonely Orphans

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 28 to 39.

Respective responsibilities of trustees and examiner

As the charity's trustees of Lonely Orphans (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Lonely Orphans are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since Lonely Orphans' gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Lonely Orphans as required by section 386 of the 2006 Act; or
2. The accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Tofail Rahman ACA
Chartered Accountants
12 Summer Hill
Street Birmingham
B12 PE
13 September 2022

Lonely Orphans Statement of Financial Activities for the Year Ended 31 December 2021

(Including Income and Expenditure Account and Statement of Total Recognized Gains And Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	785,789	68,703	854,492
Furlough Income	3	<u>36,592</u>	<u>-</u>	<u>36,592</u>
Total income		<u>822,381</u>	<u>68,703</u>	<u>891,084</u>
Expenditure on:				
Charitable activities	4	<u>(256,442)</u>	<u>(620,329)</u>	<u>(876,771)</u>
Total expenditure		<u>(256,442)</u>	<u>(620,329)</u>	<u>(876,771)</u>
Net income/(expenditure)		<u>565,939</u>	<u>(551,626)</u>	<u>14,313</u>
Net movement in funds		565,939	(551,626)	14,313
Reconciliation of funds				
Total funds brought forward		<u>535,800</u>	<u>(154,356)</u>	<u>381,444</u>
Fund Movement		<u>(705,982)</u>	<u>705,892</u>	<u>-</u>
Funds as at 31 December 2021	8	<u>395,757</u>	<u>-</u>	<u>395,757</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	400,643	315,333	715,976
Furlough Income	3	<u>88,442</u>	<u>-</u>	<u>88,442</u>
Total income		<u>489,085</u>	<u>315,333</u>	<u>804,418</u>
Expenditure on:				
Charitable activities	4	<u>(156,129)</u>	<u>(469,689)</u>	<u>(625,818)</u>
Total expenditure		<u>(156,129)</u>	<u>(469,689)</u>	<u>(625,818)</u>
Net income/(expenditure)		<u>332,956</u>	<u>(154,356)</u>	<u>178,600</u>
Net movement in funds		332,956	(154,356)	178,600
Reconciliation of funds				
Total funds brought forward		<u>202,844</u>	<u>-</u>	<u>202,844</u>
Total funds carried forward	8	<u>535,800</u>	<u>(154,356)</u>	<u>381,444</u>

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

The funds breakdown for 2021 is shown in note 9.

Lonely Orphans
(Registration number: 08528320)
Statement of Financial Position as at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	6	14,131	11,880
Current assets			
Cash at bank and in hand		421,866	384,809
Trade debtors		7,211	----
Creditors: Amounts falling due within one year	7	<u>(47,451)</u>	<u>(15,245)</u>
Net current assets		<u>381,626</u>	<u>369,564</u>
Net assets		<u>395,757</u>	<u>381,444</u>
Funds of the charity:			
Restricted funds		(-)	(154,356)
Unrestricted income funds			
Unrestricted funds		<u>395,757</u>	<u>535,800</u>
Total funds	8	<u>395,757</u>	<u>381,444</u>

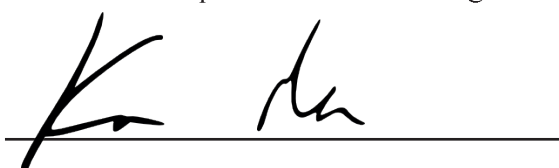
For the financial year ending 31 December 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 7 to 14 were approved by the trustees, and authorised for issue on 13 September 2022 and signed on their behalf by:



Kona Miah
Chair of Trustees

Lonely Orphans Notes to the Financial Statements for the Year Ended 31 December 2021

1 Charity status

Charitable company limited by guarantee, incorporated in the UK with Companies House and registered with Charities Commission.

The address of its registered office is:
78 Cambridge Heath Road
London
E1 5QJ

These financial statements were authorised for issue by the trustees on 13 September 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated..

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). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Lonely Orphans meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognized 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.

Income and endowments

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated..

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). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

All income is recognized once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognized when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognized until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognized when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognized as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognized 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 those 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.

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

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

Legal status

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 for each member of the charity.

Going concern

The Trustees have assessed that the Company can continue to operate for 12 months from the date of signing the accounts. This is having considered the free reserves available.

Government grants

The entity received £36,592 in the year via the Job Retention Scheme.

Related parties

There were no related party transactions in the year.

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Assets class

Furniture and Equipment

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.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' 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..

Movement in Funds

	Unrestricted funds £	Restricted funds £	Total 2021 £
As at 1 st January 2021	535,800	(154,356)	381,444
Current Year	565,939	(551,626)	14,313
Fund Movement	(705,982)	705,982	-
As at 31 st December 2021	<u>395,758</u>	<u>-</u>	<u>395,758</u>

The entity does have any unrestricted funds designated for special purposes. The total free unrestricted funds of the entity are £0.4m, which is sufficient for the company to operate for another 3 months, and pay all of its liabilities, in the instance of any sudden halt to operations

Staff

Emoluments:

	2021 £	2020 £
Total wages and salaries	138,462	150,739
Employer's NIC	5,579	6,340
Employer's Pension	-	-
	<u>144,041</u>	<u>157,079</u>

Employees paid in excess of £60,000 during the current year and previous year

<u>None</u>	<u>None</u>
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Key Management personnel were remunerated £50,203 in 2021, and £35,892 in 2020

Volunteers

The heartbeat of Lonely Orphans are our volunteer heroes who sacrifice time, effort and a sheer persistence to want to change the lives of children and families around the world. Their commitment, dedication and passion drive Lonely Orphans forward year on year to reaching higher goals. Lonely Orphans will continue to work closely with our volunteers, providing opportunities for them to develop, grow and where possible, directly support the charitable activities with the beneficiaries.

Lonely Orphans

Notes to the Financial Statements for the Year Ended 31 December 2021

3 Income

	Unrestricted Funds			
	General	Restricted	Total	Total
	£	funds	2021	2020
		£	£	£
Donations and legacies; Donations from individuals	785,467	27,350	812,817	642,667
Furlough Income	36,592		36,592	88,442
Gift aid reclaimed Grants, including capital grants;	322		322	1,717
Grants from other charities		27,791	27,791	53,680
Regular giving and capital donations		13,562	13,562	17,912
	822,381	68,703	891,084	804,418

4 Expenditure on charitable activities

	Unrestricted Funds			
	General	Restricted	Total	Total
	£	funds	2021	2020
		£	£	£
Charitable Activities costs	256,442	620,329	876,771	625,818
	256,442	620,329	876,771	625,818

5 Taxation

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

Lonely Orphans
Notes to the Financial Statements for the Year Ended 31 December 2021

6 Tangible fixed assets Cost

	Furniture and Equipment £	Total £
Cost		
At 1 January 2021	19,782	19,782
Additions	<u>5,022</u>	<u>5,022</u>
At 31 December 2021	<u>24,804</u>	<u>24,804</u>
Depreciation		
At 1 January 2021	7,902	7,902
Charge for the year	<u>2,771</u>	<u>2,771</u>
At 31 December 2021	<u>10,673</u>	<u>10,673</u>
Net book value		
At 31 December 2021	14,131	14,131
At 31 December 2020	11,880	11,880

7 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	7,300	7,300
Trade creditors	29,150	-----
Accruals	1,800	1,800
PAYE	<u>9,201</u>	<u>6,145</u>
Total	<u>47,451</u>	<u>15,245</u>

8 Funds before transfers

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted funds				
General	(535,800)	(822,381)	256,442	1,101,739
Restricted funds	<u>154,356</u>	<u>(68,703)</u>	<u>620,329</u>	<u>(705,982)</u>
Total funds	<u>(381,444)</u>	<u>(891,084)</u>	<u>876,771</u>	<u>395,757</u>

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General	(202,844)	(489,085)	156,129	(535,800)
Restricted funds	<u>=</u>	<u>(315,333)</u>	<u>469,689</u>	<u>154,356</u>
Total funds	<u>(202,844)</u>	<u>(804,418)</u>	<u>625,818</u>	<u>(381,444)</u>

Detailed Statement of Financial Activities for the Year Ended 31 December 2021

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Income and Endowments from:				
Donations and legacies (analysed below)	785,789	68,703	854,492	715,976
Furlough income	<u>36,592</u>	<u>-</u>	<u>36,592</u>	<u>88,442</u>
Total income	<u>822,381</u>	<u>68,703</u>	<u>891,084</u>	<u>804,418</u>
Expenditure on:				
Charitable activities (analysed below)	<u>(256,442)</u>	<u>(620,329)</u>	<u>(876,771)</u>	<u>(625,818)</u>
Total expenditure	<u>(256,442)</u>	<u>(620,329)</u>	<u>(876,771)</u>	<u>(625,818)</u>
Net income/(expenditure)	565,939	(551,626)	14,313	178,600
Net movement in funds	565,939	(551,626)	14,313	178,600
Reconciliation of funds				
Total funds brought forward	535,800	(154,356)	381,444	202,844
Total funds carried forward	1,101,739	(705,982)	395,757	381,444
	Unrestricted Funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and legacies				
General donations	-	27,350	27,350	243,740
General donations	785,467	-	785,467	398,137
Gift Aid tax reclaimed	322	-	322	1,716
Grants - other agencies	-	27,791	27,791	53,680
Sponsorship	-	13,562	13,562	17,912
Refunds	-	-	-	790
	785,789	68,703	854,492	715,976

Charitable Activities Cost	2021 Unrestricted	2021 Restricted	2020
Raising Funds			
Fundraising Cost	70,715	42,848	23,281
<u>Total</u>	70,715	42,848	23,281
Direct Project Cost			
Education	9,810	219,091	190,934
Emergency Relief	1,122	32,810	
Food & Nutrition	6,815	137,455	151,450
Health	3,839	74,611	103,585
Shelter & Settlement	909	17,673	
Wash	331	16,428	9,677
<u>Total</u>	22,826	498,069	455,646
Support Cost			
Salaries & Employer's Costs	61,171	41,018	69,752
Travelling Cost	1,557		278
Staff Training	320		5,213
Volunteer Expenses	2,722	4,712	9,738
Rent	12,600		12,600
Light, Heat & Power	2,210		2,343
Insurance	531		399
Repair & Maintenance	2,950		4,474
Telephone & Fax	545		540
Office Expenses	173	56	1,721
Computer Software & Maintenance	11,356		6,230
Sundry Expense	7,438		456
Professional Consultancy Fees	53,262	21,107	25,157
Bank Charges	369		1,515
Depreciation of Plant & Machinery	583		583
Depreciation of Fixtures & Fittings	118		673
Depreciation of Office Equipment	1,192		634
Depreciation of Motor Vehicle	878		34
Accountancy Fees	2,902		2,580
Donation Processing Fees		12,520	840
Interest on late payment of tax	24		289
Postage			842
<u>Total</u>	162,901	79,413	146,891
Grand Total	256,442	620,329	625,818

	2021	2021	2020
	Unrestricted	Restricted	
Governance Cost			
Volunteer expense	2,772		179
Accountancy fees	2,902		2,580
Legal and professional fees	26,251		13
Total	31,925		2,772