

SMALLWORLD FOUNDATION

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2021

SMALLWORLD FOUNDATION

CONTENTS

	Page
Reference and Administrative Details of the Charitable Incorporated Organisation, its Trustees and Advisers	1
Trustees' Report	2 - 5
Independent Examiner's Report	6 - 7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 - 16

SMALLWORLD FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE INCORPORATED ORGANISATION, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JANUARY 2021

Trustees	Mrs Salam Hamzeh Ghaith, Chair Mr Richard Oliver, Treasurer (appointed 7 September 2020) Mr Charles A Von Goins, Trustee (appointed 9 March 2021) Mrs Deborah Burton-Shaw, Secretary (appointed 23 May 2021) Mr Omar Rivas Rosiles (resigned 20 January 2021) Mrs Maha Hamzeh (resigned 24 April 2020) Mrs Clara Veronica Figueroa de Ruth (resigned 4 May 2021) Mrs Diana Hamzeh (resigned 24 April 2020)
Charity registered number	1174733
Principal office	80-83 Long Lane London EC1A 9ET
Secretary	Mrs Deborah Burton-Shaw
Accountants	Fletcher and Partners Crown Chambers Bridge Street Salisbury SP1 2 LZ
Solicitors	Wilsons Solicitors Alexandra House St John's Street Salisbury SP1 2SB

SMALLWORLD FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 JANUARY 2021

The Trustees present their annual report together with the financial statements of the Charitable Incorporated Organisation for the 1 February 2020 to 31 January 2021.

Objectives and activities

a. Policies and objectives

The Charity's objects are to:

- advance human rights and promote equality by advocating for the interests and concerns of civil society, in particular economically and socially disadvantaged children, and defending their fundamental human right to health and education;
- promote two of the fundamental pillars of social change – health and education;
- advance human rights by reducing child labour and child exploitation through skill training programmes, and by access to a quality education through supporting initiatives that aid disadvantaged children;
- collaborate with potential partners, donors and institutions in order to gain resources to address the needs and concerns of economically and socially disadvantaged segments of society;
- advance human rights and promote equality by addressing inequality and exclusion of economically and socially disadvantaged children by supporting initiatives that will address the underlying causes of such problems; and
- support innovative research initiatives that improve the lives of humanity and under-served communities globally.

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)'.

b. Strategies for achieving objectives

To provide grant funding for formal education and education facilities, vocational training and rehabilitation programmes.

SMALLWORLD FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

This is the Trustees second annual report. The charitable incorporated organisation (CIO) is not yet fully operational because of continuing delays in setting up the bank account but this has not prevented it raising its profile, delivering projects and achieving its charitable objectives.

Below are the principal activities of the Trustees in the year:

1. Participated in The MEYE Middle East Youth Expo 2020, where the SmallWorld President was invited as Speaker in the panel discussion about NGOs' achievements and sustainable impact.
2. Attended the Arab Woman Leadership and business summit Date and Location: February 5th, Dubai 2020
3. Introduced the SmallWorld Foundation at a meeting hosted by Afzal Khan MP at the House of Lords.
4. Attended the Overseas Pakistani Philanthropy Community Recognition event, where the SmallWorld received recognition.
5. Attended the Trustee Training Workshop "Charity Law and Governance issues" by Wilson's Solicitors
6. Participated in the Seminar on Child Protection and Education, where the SmallWorld President was invited as Speaker.
7. Attended the Parliamentary Reception to mark the 30th anniversary of the UNHCR, hosted by the Minister for Children & Families, Michelle Donelan MP at Churchill Room, House of Commons.

On the back of this we created a Global Response Plan, to identify how best to support the education of children in UAE from low income families, who have been out of education for at least two years because their families couldn't afford to pay for their education. The key activities to deliver our response plan are set out below.

d. Main activities undertaken to further the Charitable Incorporated Organisation's purposes for the public benefit

As part of our Global Response Plan, we created the "Back to School Project", a 1-year intensive program that started in 2020 and will be completed by October 2021. This program will teach the children what they have missed while out of full-time education and prepare them for the ADEK governmental exams that will enable them to return to own grade and class full-time

We also supported the Emirates Autism Centre by providing educational material to help children develop their skills and capabilities. This project is on-going and further materials have been provided after the accounting year end.

We supported the UNHCR's Virtual Learning project by sourcing and reconditioning 99 laptops (81 of which were delivered in year) to support disadvantaged Syrian children in the 4 Emirate states of the UAE.

Finally, have been working on a project; "Skill Acquisition Program" to deliver in 2021, which will train disadvantaged children in filmmaking, editing and producing. They will complete this program in the summer and sit for an exam to get a certificate to produce films, where they can apply their expertise for financial benefit and hopefully support their higher education.

Achievements and performance

SMALLWORLD FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

Achievements and performance (continued)

a. Main achievements of the Charitable Incorporated Organisation

Securing the donations required to deliver the three projects listed above, which are enabling 38 disadvantaged children to return to education; have enabled a further 81 children to access distanced learning and have provided materials to meet and develop the sensory and environmental needs of autistic children.

b. Fundraising activities and income generation

We secured donations of the equipment needed to deliver the three projects listed above and Trustees have given their time voluntarily to co-ordinate and deliver the projects. Activity continues to generate further funding for future projects,

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charitable Incorporated Organisation 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.

b. Reserves policy

A reserves policy will be established once the bank account is established and the CIO is fully set-up and operational.

c. Deficit

While the charity reported a surplus for the year of £4,412 it has a cumulative deficit in its general fund of £656, we are able to attract project funding and, once the bank account is established, we will be able to raise funds to cover the operation of the CIO.

d. Financial performance in year

We received external donations of £27,654 (2020: £2,985) and made grants totalling £26,386 (2020: £2,985); the balance being donated laptops held in stock at the year end for issue in future years. A further £4,764 of donations were made by Trustees to pay for the charity's running costs.

Structure, governance and management

a. Constitution

SmallWorld Foundation is a registered charity, number 1174733, and is constituted under a Memorandum of Association.

b. Methods of appointment or election of Trustees

The management of the Charitable Incorporated Organisation is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

SMALLWORLD FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2021

Structure, governance and management (continued)

c. Financial risk management

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

Members' liability

The Members of the Charitable Incorporated Organisation guarantee to contribute an amount not exceeding £1 to the assets of the Charitable Incorporated Organisation in the event of winding up.

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 & 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 Charitable Incorporated Organisation 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 then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Incorporated Organisation will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Incorporated Organisation's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Incorporated Organisation 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 Memorandum of Association. They are also responsible for safeguarding the assets of the Charitable Incorporated Organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 27 August 2021 and signed on their behalf by:

Mrs Salam Hamzeh Ghaith
Chair of Trustees

SMALLWORLD FOUNDATION

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 JANUARY 2021

Independent Examiner's Report to the Trustees of SmallWorld Foundation ('the Charitable Incorporated Organisation')

I report to the charity Trustees on my examination of the accounts of the Charitable Incorporated Organisation for the year ended 31 January 2021.

Responsibilities and Basis of Report

As the Trustees of the Charitable Incorporated Organisation you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charitable Incorporated Organisation's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Your attention is drawn to the fact that the Charitable Incorporated Organisation has prepared the accounts 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) 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 been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

1. accounting records were not kept in respect of the Charitable Incorporated Organisation as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

This report is made solely to the Charitable Incorporated Organisation's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charitable Incorporated Organisation's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charitable Incorporated Organisation and the Charitable Incorporated Organisation's Trustees as a body, for my work or for this report.

SMALLWORLD FOUNDATION

**INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021**

Signed:

Dated: 20 October 2021

James Fletcher

FCA

Crown Chambers, Bridge St, Salisbury

SMALLWORLD FOUNDATION

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JANUARY 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Income from:				
Donations and legacies	3	33,318	33,318	2,985
		<u>33,318</u>	<u>33,318</u>	<u>2,985</u>
Total income				
Expenditure on:				
Raising funds	4	2,520	2,520	1,997
Charitable activities		26,386	26,386	2,985
		<u>28,906</u>	<u>28,906</u>	<u>4,982</u>
Total expenditure				
		<u>4,412</u>	<u>4,412</u>	<u>(1,997)</u>
Net movement in funds				
Reconciliation of funds:				
Total funds brought forward		(5,068)	(5,068)	(3,071)
Net movement in funds		4,412	4,412	(1,997)
		<u>(656)</u>	<u>(656)</u>	<u>(5,068)</u>
Total funds carried forward				

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 10 to 16 form part of these financial statements.

SMALLWORLD FOUNDATION

**BALANCE SHEET
AS AT 31 JANUARY 2021**

	Note	2021 £	2020 £
Fixed assets		<u>-</u>	<u>-</u>
Current assets			
Stocks	7	1,268	-
		<u>1,268</u>	<u>-</u>
Creditors: amounts falling due within one year	8	(1,924)	(5,068)
Net current liabilities		<u>(656)</u>	<u>(5,068)</u>
Total assets less current liabilities		<u>(656)</u>	<u>(5,068)</u>
Net liabilities excluding pension asset		<u>(656)</u>	<u>(5,068)</u>
Total net assets		<u><u>(656)</u></u>	<u><u>(5,068)</u></u>
Charity funds			
Restricted funds	9	-	-
Unrestricted funds	9	(656)	(5,068)
Total funds		<u><u>(656)</u></u>	<u><u>(5,068)</u></u>

The financial statements were approved and authorised for issue by the Trustees on 27 August 2021 and signed on their behalf by:

Mrs Salam Hamzeh Ghaith
(Chair of Trustees)

The notes on pages 10 to 16 form part of these financial statements.

SMALLWORLD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

1. General information

The Smallworld Foundation is a Charitable Incorporated Organisation registered in England and Wales. Its company number is CE012265 and its charity number is 1174733. It is based in London and its registered office is 80-83 Long Lane, London EC1A 9ET.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements have been prepared to give a 'true and fair' view and 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 Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

SmallWorld Foundation 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.

The accounts have been prepared under the going concern concept as, despite net liabilities, Trustees will continue to personally meet liabilities in the short-term and are confident that, once their bank account has been opened, this will enable them to scale up fundraising so as to be able to cover all support costs as well as funding the grants awarded. The Covid 19 pandemic has had little direct impact on the finances of the CIO but has operationally delayed delivery of some projects.

2.2 Income

All income is recognised once the Charitable Incorporated Organisation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

2.3 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 allocated on the portion of the asset's use.

SMALLWORLD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

2. Accounting policies (continued)

2.3 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charitable Incorporated Organisation's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.4 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.5 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charitable Incorporated Organisation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.6 Financial instruments

The Charitable Incorporated Organisation only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.7 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charitable Incorporated Organisation and which have not been designated for other purposes.

3. Income from donations and legacies

Unrestricted funds 2021 £	Total funds 2021 £
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SMALLWORLD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

3. Income from donations and legacies (continued)

	Unrestricted funds 2021 £	Total funds 2021 £
Donations	33,318	33,318
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	2,985	2,985

4. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Total funds 2021 £
Support costs	2,520	2,520

SMALLWORLD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

4. Expenditure on raising funds (continued)

Costs of raising voluntary income (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Support costs	1,997	1,997

5. Analysis of grants

	Grants awarded 2021 £	Total funds 2021 £
Educational grants	26,386	26,386

	<i>Grants awarded 2020 £</i>	<i>Total funds 2020 £</i>
Educational grants	2,985	2,985

6. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 January 2021, no Trustee expenses have been incurred (2020 - £NIL).

7. Stocks

	2021 £	2020 £
Work in progress (goods to be sold)	1,268	-

SMALLWORLD FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

7. Stocks (continued)

Stock comprises donated laptops that will be upgraded to make suitable for planned purposes and distributed in accordance with the charitable objects.

SMALLWORLD FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

8. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Other creditors	-	2,768
Accruals and deferred income	1,924	2,300
	<u>1,924</u>	<u>5,068</u>

9. Statement of funds

Statement of funds - current year

	Balance at 1 February 2020	Income	Expenditure	Balance at 31 January 2021
	£	£	£	£
Unrestricted funds				
General Funds - all funds	(5,068)	33,318	(28,906)	(656)
	<u>(5,068)</u>	<u>33,318</u>	<u>(28,906)</u>	<u>(656)</u>

10. Summary of funds

Summary of funds - current year

	Balance at 1 February 2020	Income	Expenditure	Balance at 31 January 2021
	£	£	£	£
General funds	(5,068)	33,318	(28,906)	(656)
	<u>(5,068)</u>	<u>33,318</u>	<u>(28,906)</u>	<u>(656)</u>

11. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2021	Total funds 2021
	£	£
Current assets	1,268	1,268
Creditors due within one year	(1,924)	(1,924)
Total	<u>(656)</u>	<u>(656)</u>

SMALLWORLD FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

11. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Creditors due within one year	(5,068)	(5,068)
Total	<u>(5,068)</u>	<u>(5,068)</u>

12. Related party transactions

Donations were recognised for expenses met privately by the Trustees, which included settlement of invoices from previous years.

The Charitable Incorporated Organisation has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Charitable Incorporated Organisation at 31 January 2021.