

CHARITY REGISTRATION NUMBER: 1191798

LOC FOUNDATION
Unaudited Financial Statements
31 December 2021

K B M UK LIMITED

Chartered Certified Accountants

1 Concord Business Centre

Concord Road

London

UK

W3 0TJ

LOC FOUNDATION

Financial Statements

Period from 14 October 2020 to 31 December 2021

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LOC FOUNDATION

Trustees' Annual Report

Period from 14 October 2020 to 31 December 2021

The trustees present their report and the unaudited financial statements of the charity for the period ended 31 December 2021.

Reference and administrative details

Registered charity name LOC FOUNDATION

Charity registration number 1191798

Principal office 18 Chestnut Walk
Watford
WD24 6NS
England

The trustees

Mr S Ahmed
Mr F Ali
Mr N Ahmed

Independent examiner KBM UK LTD
1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

Structure, governance and management

LOC Foundation is charitable incorporated organisation, were Incorporated on 14 October 2020.

The day to day running of the charity is led by managing trustee, Mr Faisal Ali who manages the daily activities of the charity and management related tasks. Mr Ali also participates in fundraising for the charity and travels to places where charitable activities are undertaken.

Objectives and activities

The charity helps poor families, schools, children along the line of control. This ranges from sending clothes, provide stationery equipment for schools, providing medical aid and IT equipment for the poor.

The main objectives of the organisation are:

The prevention or relief of poverty amongst those living in Kashmir Nakyal Sector by the provision of grants of items, equipment and funds to relieve their needs and the relief and assistance of people in Kashmir Nakyal Sector, who are victims of war or natural disaster, trouble or catastrophe in particular by the supply of grants.

The relief of financial need and suffering among victims of natural or other kinds of disaster in the form of money (or other means deemed suitable) for persons, bodies, organisations affected in such ways as the trustees shall think fit.

LOC FOUNDATION

Trustees' Annual Report *(continued)*

Period from 14 October 2020 to 31 December 2021

Achievements and performance

In the year 2020 - 2021, charity has collected donation from individuals to fund and support its activities and projects in Kashmir Nakyal Sector. Some of them are highlighted below,

- We have successfully achieved to provide drinkable water to over through 10 boreholes, where one bore hole provides for up to 10 families.
- We gave drinkable water boreholes to local hospitals, a school and a college in Dabsl.
- Also provided access to drinkable water to remote areas where there is no access of water.
- We established water tanks to store clean water for the use of community.
- We provided Ramadan packages to up to 100 families.
- We provided equipment, bags, stationery and sewing machines to various schools, colleges and vocational centres including orphans and girls' schools in the line of control area to help with better livelihood.
- We provided wheel chairs for disabled people in the area.
- Every year we provide winter clothing to the poor and needy to help in harsh winter conditions.

Financial review

Charity received donations totalling £29,792 during the year. Total spending amounted to £18,185 of which £16,103 was spent on direct charitable activities while £2,082 was utilised for charity operational activities.

Total available funds at 31 December 2021 amounted to £11,607 of which £2,897 related to restricted funds and £8,710 was available for unrestricted purposes.

The Trustees are satisfied that the charity's activities during the period have met their objectives and are satisfied with the financial position at the period end.

The trustees' annual report was approved on 22/05/22 and signed on behalf of the board of trustees by:



Mr S Ahmed
Trustee

LOC FOUNDATION

Independent Examiner's Report to the Trustees of LOC FOUNDATION

Period from 14 October 2020 to 31 December 2021

I report to the trustees on my examination of the financial statements of LOC FOUNDATION ('the charity') for the period ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

I have completed my examination. I confirm that no material 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 charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements 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.

KBM

KBM UK LTD
Independent Examiner

1 Concord Business Centre
Concord Road
London
UK
W3 0TJ

LOC FOUNDATION

Statement of Financial Activities

Period from 14 October 2020 to 31 December 2021

		Period from 14 Oct 20 to 31 Dec 21		
	Note	Unrestricted funds £	Restricted funds £	Total funds £
Income and endowments				
Donations and legacies	4	8,342	21,450	29,792
Total Income		<u>8,342</u>	<u>21,450</u>	<u>29,792</u>
Expenditure				
Expenditure on raising funds:				
Costs of other trading activities	5	2,082	—	2,082
Expenditure on charitable activities	6,7	3,363	12,740	16,103
Total expenditure		<u>5,445</u>	<u>12,740</u>	<u>18,185</u>
Net Income and net movement in funds		<u>2,897</u>	<u>8,710</u>	<u>11,607</u>
Reconciliation of funds				
Total funds brought forward		—	—	—
Total funds carried forward		<u>2,897</u>	<u>8,710</u>	<u>11,607</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 7 to 11 form part of these financial statements.

LOC FOUNDATION
Statement of Financial Position
31 December 2021

	Note	31 Dec 21 £
Current assets		
Cash at bank and in hand		13,207
Creditors: amounts falling due within one year	11	1,800
Net current assets		<u>11,607</u>
Total assets less current liabilities		<u>11,607</u>
Net assets		<u>11,607</u>
Funds of the charity		
Restricted funds		8,710
Unrestricted funds		<u>2,897</u>
Total charity funds	12	<u>11,607</u>

These financial statements were approved by the board of trustees and authorised for issue on 20/12/21 and are signed on behalf of the board by:



Mr S Ahmed
Trustee

The notes on pages 7 to 11 form part of these financial statements.

LOC FOUNDATION

Statement of Cash Flows

Period from 14 October 2020 to 31 December 2021

	31 Dec 21 £
Cash flows from operating activities	
Net income	11,607
<i>Adjustments for:</i>	
Interest payable and similar charges	53
Accrued expenses	600
<i>Changes in:</i>	
Trade and other creditors	1,000
Cash generated from operations	13,260
Interest paid	(53)
Net cash from operating activities	13,207
Net Increase In cash and cash equivalents	13,207
Cash and cash equivalents at beginning of period	—
Cash and cash equivalents at end of period	13,207

The notes on pages 7 to 11 form part of these financial statements.

LOC FOUNDATION

Notes to the Financial Statements

Period from 14 October 2020 to 31 December 2021

1. General Information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 18 Chestnut Walk, Watford, WD24 6NS, England.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

LOC FOUNDATION

Notes to the Financial Statements *(continued)*

Period from 14 October 2020 to 31 December 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

LOC FOUNDATION

Notes to the Financial Statements *(continued)*

Period from 14 October 2020 to 31 December 2021

3. Accounting policies *(continued)*

Financial Instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt Instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Donations			
Donations	8,342	21,450	29,792

5. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2021 £
Costs of other trading activities - Advertising and publicity	2,082	2,082

LOC FOUNDATION

Notes to the Financial Statements *(continued)*

Period from 14 October 2020 to 31 December 2021

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Charitable Activities	2,709	12,740	15,450
Support costs	654	—	653
	<u>3,363</u>	<u>12,740</u>	<u>16,103</u>

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2021 £
Charitable Activities	15,450	—	15,450
Governance costs	—	653	653
	<u>15,450</u>	<u>653</u>	<u>16,103</u>

8. Independent examination fees

	Period from 14 Oct 20 to 31 Dec 21 £
Fees payable to the independent examiner for:	
Independent examination of the financial statements	300
Other financial services	300
	<u>600</u>

9. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

Period from
14 Oct 20 to
31 Dec 21
£

The average head count of employees during the period was Nil.

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

10. Trustee remuneration and expenses

No salaries or wages have been paid to employees, including the members of the committee, during the year. The Trustees received no remuneration or expenses for acting as trustees. During the year the total of expense reimbursed to the trustees, incurred in the course of acting as members of the charity, amounted to £Nil.

LOC FOUNDATION

Notes to the Financial Statements *(continued)*

Period from 14 October 2020 to 31 December 2021

11. Creditors: amounts falling due within one year

	31 Dec 21
	£
Trade creditors	1,000
Accruals and deferred income	600
	<u>1,600</u>

12. Analysis of charitable funds

Unrestricted funds

	At 14 October 2020	Income	Expenditure	At 31 December 2021
	£	£	£	£
General funds	<u>—</u>	<u>8,342</u>	<u>(5,445)</u>	<u>2,897</u>

Restricted funds

	At 14 October 2020	Income	Expenditure	At 31 December 2021
	£	£	£	£
Restricted Fund	<u>—</u>	<u>21,450</u>	<u>(12,740)</u>	<u>8,710</u>

13. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Tangible fixed assets	<u>2,897</u>	<u>8,710</u>	<u>11,607</u>

14. Analysis of changes in net debt

	At 14 Oct 2020	Cash flows	At 31 Dec 2021
	£	£	£
Cash at bank and in hand	<u>—</u>	<u>13,207</u>	<u>13,207</u>

LOC FOUNDATION

Management Information

Period from 14 October 2020 to 31 December 2021

The following pages do not form part of the financial statements.

LOC FOUNDATION

Detailed Statement of Financial Activities

Period from 14 October 2020 to 31 December 2021

	Period from 14 Oct 20 to 31 Dec 21 £
Income and endowments	
Donations and legacies	
Donations	29,792
Total income	29,792
Expenditure	
Costs of other trading activities	
Advertising and publicity - Events, Marketing & Fundraising Costs	2,082
Expenditure on charitable activities	
Direct charitable activity - General	2,709
Legal and professional fees	600
Bank charges	53
Direct charitable activity - Water	4,957
Direct charitable activity - Food	3,305
Direct charitable activity - Education	2,479
Direct charitable activity - Eid & Qurbani	2,000
	16,103
Total expenditure	18,185
Net Income	11,607

LOC FOUNDATION

Notes to the Detailed Statement of Financial Activities

Period from 14 October 2020 to 31 December 2021

	Period from 14 Oct 20 to 31 Dec 21 £
Costs of other trading activities	
Costs of other trading activities - Advertising and publicity	
Advertising and publicity - Events, Marketing & Fundraising Costs	2,082
	<u>2,082</u>
Costs of other trading activities	<u>2,082</u>
Expenditure on charitable activities	
Charitable Activities	
Activities undertaken directly	
Direct charitable activity - General	2,709
Direct charitable activity - Water	4,957
Direct charitable activity - Food	3,305
Direct charitable activity - Education	2,479
Direct charitable activity - Eid & Qurbani	2,000
	<u>15,450</u>
Governance costs	
Governance costs - accountancy fees	600
Governance costs - bank charges	53
	<u>653</u>
Expenditure on charitable activities	<u>16,103</u>