

Report of the Trustees and
Financial Statements
for the Year Ended 31st January 2020
for
Orphans in Need

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

Orphans in Need

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for the year ended 31st January 2020**

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Orphans in Need (Registered number: 07797095)

Report of the Trustees
for the year ended 31st January 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st January 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives, aims and public benefit

The objectives of Orphans In Need are wholly for the public benefit.

The principal aims of the charity and objective of the charitable company are:

The relief of poverty and sickness anywhere in the world, and in particular, those affected by natural causes or by wars and conflicts either foreign or domestic by the provision of financial or other assistance including but not limited to medicines, shelter, furniture, stationery, food, clothing, sanitation and clean drinking water and also the construction of hospitals and medical centres.

To advance the education of persons in need, including orphans, anywhere in the world by the provision of financial aid and materials including but not limited to books, furniture, stationery, clothing and electronic hardware/software and also through the construction of schools, colleges, training centres, orphanages and universities.

The trustees have had regard to the Charity Commission's guidance on public benefit.

Grantmaking

Orphans in Need are always actively seeking out partner organisations that can further than objectives in an efficient and effective manner. As a result the charity will make grants to other organisations where the trustees feel are deserving and in in line with the Orphans in Need policies.

Report of the Trustees
for the year ended 31st January 2020

ACHIEVEMENT AND PERFORMANCE

In 2019, Orphans in Need pushed on with its delivery of its one-to-one orphan sponsorship programme, food parcel distributions to widows, and increased support for the needs of orphans through its Global Orphan Care campaign.

Orphans sponsorship

Through our orphan sponsorship programme, we continue to support over 11,000 children across 14 countries. Each of these children continue to receive a fixed monthly stipend contributing towards their education, food, clothing and other necessities. The progress of these children is measured by our partners on the ground, who maintain that each child on the programme remain in education as a minimum.

We strive to ensure that our children stay with extended family, where possible. The support we provide them allows them to send the child to school where in other circumstances they may be forced onto the streets to beg or into manual labour. The success of our orphan sponsorship programme is down to our generous donors, who undertake to provide these children with hope through their regular donations.

Our Global Orphan Care campaign has allowed us to raise extra funds with which we can supplement the care provided to these children when they need extra support.

Global Orphan Care

Our Global Orphan Care campaign now supplements and develops the foundations we have already built through our orphan sponsorship programme. The Global Orphan Care funds have allowed us to support individual requests for the care of orphans and widows, as well supporting other orphan care institutions to maintain and improve their services. This allows us to support thousands more orphans in addition to those on our sponsorship programme

The extra support ranges from extensive medical care such as for cancer and serious illnesses to the provision of accommodation assistance for institutions who are unable to improve housing conditions because of a lack of funding and guidance.

Orphan village and orphanages

Our orphan village in Delhi has progressed over the past years by providing care to over 300 orphans within its facilities. In 2019, the village underwent improvements to provide better care for its residents including the building of a playground and refurbishment of its kitchen. Our other orphanages in Pakistan including, Bait ul Altaf and Bait ul Salaam, are carefully monitored. Regular contact with our partners and visits are carried out to ensure the welfare of our orphans is maintained. Children in our care are given food, clothing, medical support, counselling where needed, and education.

Ramadan and Qurbani

During the month of May, food parcels were delivered to our beneficiaries for the month of Ramadan. A month prior to the 15th of August we delivered cooked meals as well as animal shares to our partnering countries to be distributed amongst the poor in celebration of Eid ul Adha. These months are a crucial time for us during the year as most of our charitable donations come during then.

Winter and Kashmir Lockdown

Early August the state of Kashmir was put into a lockdown. Orphans in Need had their staff deliver food parcels to widowed families. The lockdown is on-going and there is no certainty as to when it will end. Orphans in Need has given continuous support to the state during their time of need alongside our winter campaign. Winter kits were given to widowed families and orphan children that provided them with essentials.

Magazine

2019 was the first issue of our annual magazine giving donors feedback on the work we do and our achievements over the years through providing food, education and healthcare. The purpose of the magazine is to share positive stories from our beneficiaries and supporters alike. The first copy was delivered to approximately 30,000 supporters in the UK and was made available online. We hope to continue with the magazine on an annual basis.

Café Blu

Café Blu is a retail outlet based in a busy part of Birmingham, with an increasing footfall of traffic and income. Customers are reminded that the café supports Orphans in Need and is a base for Orphans in Need supporters to visit and learn about the organisation as well as purchase beverages and food. We are confident that the loan made to Café Blu will be paid back to the organisation in due course.

Orphans in Need (Registered number: 07797095)

Report of the Trustees
for the year ended 31st January 2020

Since the opening of the café, Orphans in Need has seen a growth of our income from the Birmingham region, through the publicity of Orphans in Need at the site as well as the placing of an office to the rear of the shop. The café has acted as hub in the region, bringing in old and new donors.

Donated Pharmaceuticals

During the year the charity had donated pharmaceuticals goods of \$3.8m (£2,874,550) distributed on its behalf directly by United Muslim Relief, in conjunction with other similar charities.

Governance, administration and monitoring.

In January 2019, the organisation's agreements and funding contracts with partners were further reviewed as well as several key organisation policies and procedures, particularly with a focus on safeguarding and GDPR legislation.

Monitoring of our work ensuring delivery in line with our charitable objects is carried out through an extensive paper trail for all projects along with monitoring visits carried out by staff to the areas of need. These trips include an assessment of the quality of delivery to our beneficiaries along with an examination of the financial and administration records. This is now supplemented with partner and beneficiary interviews through video conferencing.

Orphans in Need is entrusted by donors to deliver to orphans and widows and we maintain strict controls on expenditure, striving to keep associated costs to a minimum. Although we work to keep our administration costs to a minimum, we also value our commitment to ensuring that we are monitoring, assessing and improving our work with beneficiaries and this does require us to invest in thorough due diligence, staff and appropriate policies and procedures. Orphans in Need does not make any deduction to Zakat donations.

Orphans in Need has signed up to the Code of Fundraising Practice for the UK, working with the Fundraising Regulator to ensure that our fundraising is respectful, open, honest and accountable to the public.

FINANCIAL REVIEW

Reserves policy

The trustees regularly review the risks to the charity and are actively monitoring the reserves available to the charity. As there are no significant ongoing commitments and the work continues only when funds are available, the trustees have decided to maintain a minimal reserve amount of £50,000 to cover any contingencies.

The charity currently holds more than this as they have raised funds for projects that have yet to go ahead. See note 6 for more details.

The charity relies fully on voluntary income which was £10,349,619 during 2019/20. At the year end the charity had unrestricted reserves of £4,291,346.

The trustees are satisfied that the all funds received have been applied in a wholly effective manner.

FUTURE PLANS

In 2020, we will continue the development of our orphan sponsorship programme, working closely with in-country teams to provide the best possible care for our children. We will arrange workshops with our teams for the provision of training and knowledge sharing. For the Global Orphan Care programme, we will push forward raising funds but also distributing these for needy orphan and widow support causes around the world.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Orphans in Need is incorporated as a company limited by guarantee and is registered as a charity number 1144812.

The trustees, who are also the directors of the company, are responsible for the overall management and control of the company working with other persons on an entirely voluntary basis.

Orphans in Need (Registered number: 07797095)

Report of the Trustees
for the year ended 31st January 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Trustees are appointed in accordance with Orphans In Need constitution. Once appointed, Trustees are given introduction of the charity and information about its objects; Trustees are also given the copy of the constitution and the aims and objective. Role descriptions are issued to each Trustee and full induction is given setting out the obligations of a trustee. All trustees are issued with a copy of the Charity Commission's guide "The Essential Trustee".

The trustees meet every 6 weeks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07797095 (England and Wales)

Registered Charity number

1144812

Registered office

Windsor House
10 Manchester Road
Bradford
West Yorkshire
BD5 0QH

Trustees

A Musa Director
I Vania Teacher
Mrs V A Scarll Bookkeeper
E V Doyle Director (resigned 29/3/19)
S Ali Director
A Mohammad Director

Auditors

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

Bankers

HSBC
Market Place
Dewsbury
West Yorkshire
BD5 0QH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Report of the Trustees
for the year ended 31st January 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law 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 company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, cbaSadofskys, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 25th November 2020 and signed on its behalf by:

Mrs V A Scarll - Trustee

Report of the Independent Auditors to the Members of Orphans in Need

Opinion

We have audited the financial statements of Orphans in Need (the 'charitable company') for the year ended 31st January 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st January 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Emphasis of matter - Amount due from trading company

In forming our opinion on the financial statements, which is not modified, we have considered an amount of £171,743 which is due from Cafe Blu Limited and included in Other Debtors in note 16 to the financial statements. The company was formed in March 2016 to operate a coffee shop from leasehold premises in Birmingham. It is limited by guarantee and the members and directors are trustees of the Charity. The intention was to generate profits which would then be gifted to the charity. To date, however, the company has just started to become profitable. The trustees have indicated that they will support the company until such time as it is profitable and that the amount due will be repaid.

Since the year end the company has made repayments of the loan. This is expected to continue until this is repaid in full though the matter will be kept under review and further write downs will be provided if required.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Orphans in Need

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Drant ACA (Senior Statutory Auditor)
for and on behalf of cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

25th November 2020

Orphans in Need

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31st January 2020

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	4,467,503	5,882,116	10,349,619	11,576,718
Investment income	3	27,488	-	27,488	14,930
Total		4,494,991	5,882,116	10,377,107	11,591,648
 EXPENDITURE ON					
Raising funds	4	1,399,838	-	1,399,838	1,208,766
Charitable activities	5				
General		3,691,083	5,882,116	9,573,199	10,145,793
Other	8	-	-	-	238,469
Total		5,090,921	5,882,116	10,973,037	11,593,028
 NET INCOME/(EXPENDITURE)		(595,930)	-	(595,930)	(1,380)
 RECONCILIATION OF FUNDS					
Total funds brought forward		4,887,276	-	4,887,276	4,888,656
 TOTAL FUNDS CARRIED FORWARD		4,291,346	-	4,291,346	4,887,276

The notes form part of these financial statements

Orphans in Need (Registered number: 07797095)

Balance Sheet
31st January 2020

	Notes	Unrestricted fund £	Restricted fund £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Intangible assets	13	3,933	-	3,933	4,149
Tangible assets	14	637,041	-	637,041	662,354
Investment property	15	140,000	-	140,000	140,000
		<u>780,974</u>	<u>-</u>	<u>780,974</u>	<u>806,503</u>
CURRENT ASSETS					
Debtors	16	453,685	-	453,685	751,289
Cash at bank		3,176,416	-	3,176,416	3,491,750
		<u>3,630,101</u>	<u>-</u>	<u>3,630,101</u>	<u>4,243,039</u>
CREDITORS					
Amounts falling due within one year	17	(119,729)	-	(119,729)	(162,266)
		<u>3,510,372</u>	<u>-</u>	<u>3,510,372</u>	<u>4,080,773</u>
NET CURRENT ASSETS					
		<u>3,510,372</u>	<u>-</u>	<u>3,510,372</u>	<u>4,080,773</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>4,291,346</u>	<u>-</u>	<u>4,291,346</u>	<u>4,887,276</u>
NET ASSETS					
		<u>4,291,346</u>	<u>-</u>	<u>4,291,346</u>	<u>4,887,276</u>
FUNDS	19				
Unrestricted funds				<u>4,291,346</u>	<u>4,887,276</u>
TOTAL FUNDS				<u>4,291,346</u>	<u>4,887,276</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 25th November 2020 and were signed on its behalf by:

V A Scarll - Trustee

Orphans in Need

Cash Flow Statement
for the year ended 31st January 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(323,795)	510,306
Net cash (used in)/provided by operating activities		(323,795)	510,306
Cash flows from investing activities			
Purchase of intangible fixed assets		(1,200)	(2,952)
Purchase of tangible fixed assets		(12,127)	-
Interest received		21,788	9,230
Net cash provided by investing activities		8,461	6,278
Change in cash and cash equivalents in the reporting period		(315,334)	516,584
Cash and cash equivalents at the beginning of the reporting period		3,491,750	2,975,166
Cash and cash equivalents at the end of the reporting period		3,176,416	3,491,750

The notes form part of these financial statements

Orphans in Need

Notes to the Cash Flow Statement
for the year ended 31st January 2020

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(595,930)	(1,380)
Adjustments for:		
Depreciation charges	38,856	61,903
Interest received	(21,788)	(9,230)
Decrease in debtors	297,604	453,514
(Decrease)/increase in creditors	(42,537)	5,499
Net cash (used in)/provided by operations	(323,795)	510,306

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/2/19	Cash flow	At 31/1/20
	£	£	£
Net cash			
Cash at bank	3,491,750	(315,334)	3,176,416
	3,491,750	(315,334)	3,176,416
Total	3,491,750	(315,334)	3,176,416

The notes form part of these financial statements

Orphans in Need

Notes to the Financial Statements **for the year ended 31st January 2020**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Orphans in Need is a company, limited by guarantee, registered in England and Wales. The company's registered numbers and registered office can be found on the Report of the Trustees on page 3.

The presentation currency of the financial statements is the Pound Sterling (£).

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Website costs

Website costs are amortised over 5 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- 2% on cost
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Orphans in Need

Notes to the Financial Statements - continued for the year ended 31st January 2020

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Voluntary income

Voluntary income is received by way of donations and gifts and is included in full when received.

2. DONATIONS AND LEGACIES

	2020 Restricted £	2020 Unrestricted £	2020 Total £	2019 Total £
Donations	3,007,566	3,703,302	6,710,868	6,307,794
Gift Aid	-	764,201	764,201	781,739
Donated Services and Facilities	2,874,550	-	2,874,550	4,487,185
	<u>5,882,116</u>	<u>4,467,503</u>	<u>10,349,619</u>	<u>11,576,718</u>

Income is based on the donors specified cause. A breakdown is provided below.

	2020 £	2019 £
Water	727	1,470
Orphans	2,248,079	2,621,893
Masjid	1,921	5,963
Food	756,839	1,116,161
Education	-	500
Emergency	-	-
Medical Supplies	2,874,550	4,487,185
	<u>5,882,116</u>	<u>8,233,172</u>

Cause details:

Water - Project to provide access to clean water.

Orphans - Sponsorship of orphans helps house orphans throughout the world in order to help ensure that they receive an education, food, healthcare and medical support that children need.

Masjid - Providing support to schoolhouses throughout the world.

Food - Providing monthly food parcels to widows and orphans.

Emergency - Providing emergency aid to conflict areas.

Education - Providing educational materials.

Medical Supplies - Medical supplies donated and supplied by a partner.

Orphans in Need

Notes to the Financial Statements - continued for the year ended 31st January 2020

3. INVESTMENT INCOME

	2020	2019
	£	£
Rents received	5,700	5,700
Deposit account interest	21,788	9,230
	<u>27,488</u>	<u>14,930</u>

4. RAISING FUNDS

Raising donations and legacies

	2020	2019
	£	£
Staff costs	378,286	404,415
Postage and stationery	11,539	12,748
Marketing	681,443	440,261
Fund raising expenses	211,426	239,428
Telephone	12,790	9,713
Motor and travel	17,118	27,616
Accommodation	4,469	5,962
Bank charges	82,767	68,623
	<u>1,399,838</u>	<u>1,208,766</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
General	<u>690,859</u>	<u>8,829,487</u>	<u>52,853</u>	<u>9,573,199</u>

6. GRANTS PAYABLE

	2020	2019
	£	£
General	<u>8,829,487</u>	<u>9,375,185</u>

The total donations paid to institutions during the year was as follows:

	2020	2019
	£	£
Orphans in Need - India	1,413,114	1,651,444
Orphans in Need - Jammu & Kashmir	1,299,328	807,791
Alsabil Welfare House	1,455,057	854,601
Orphans in Need - Pakistan	669,377	576,573
Annasru Deen - Orphan Sponsorship	132,264	111,606
Novo Jibon	221,592	269,299
OIN Nepal	226,089	167,244
African Development Trust	158,223	106,122
Donated Pharmaceuticals	2,874,550	4,487,185
Other grants of less than £150,000 in the period	379,893	343,320
	<u>8,829,487</u>	<u>9,375,185</u>

Orphans in Need

Notes to the Financial Statements - continued for the year ended 31st January 2020

6. GRANTS PAYABLE - continued

A full list of individual grants and projects is available from our principal office.

The charity is committed to pay £1.1 million to fund to help build an Orphanage in Kashmir which is due to be sent during the next financial year.

7. SUPPORT COSTS

	Management £	Governance costs £	Totals £
General	<u>8,597</u>	<u>44,256</u>	<u>52,853</u>

8. OTHER

	2020 £	2019 £
Loans written off	<u>-</u>	<u>238,469</u>

The loan written off relates to the partial write off of the Cafe Blu loan.

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Auditors' remuneration	<u>4,800</u>	4,800
Depreciation - owned assets	<u>37,440</u>	60,736
Website Costs amortisation	<u>1,416</u>	<u>1,167</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st January 2020 nor for the year ended 31st January 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st January 2020 nor for the year ended 31st January 2019.

Orphans in Need

Notes to the Financial Statements - continued for the year ended 31st January 2020

11. STAFF COSTS

	2020 £	2019 £
Wages and salaries	509,213	571,636
Social security costs	43,720	44,944
Pension	8,376	6,129
	<u>561,309</u>	<u>622,709</u>

The average monthly number of employees during the year was as follows:

2020 25	2019 27
<u>25</u>	<u>27</u>

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,343,546	8,233,172	11,576,718
Investment income	14,930	-	14,930
Total	<u>3,358,476</u>	<u>8,233,172</u>	<u>11,591,648</u>
EXPENDITURE ON			
Raising funds	1,208,766	-	1,208,766
Charitable activities			
General	1,912,621	8,233,172	10,145,793
Other	238,469	-	238,469
Total	<u>3,359,856</u>	<u>8,233,172</u>	<u>11,593,028</u>
NET INCOME/(EXPENDITURE)	<u>(1,380)</u>	<u>-</u>	<u>(1,380)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	4,888,656	-	4,888,656
TOTAL FUNDS CARRIED FORWARD	<u>4,887,276</u>	<u>-</u>	<u>4,887,276</u>

Orphans in Need

Notes to the Financial Statements - continued
for the year ended 31st January 2020

13. INTANGIBLE FIXED ASSETS

	Website Costs £
COST	
At 1st February 2019	8,584
Additions	1,200
	<hr/>
At 31st January 2020	9,784
	<hr/>
AMORTISATION	
At 1st February 2019	4,435
Charge for year	1,416
	<hr/>
At 31st January 2020	5,851
	<hr/>
NET BOOK VALUE	
At 31st January 2020	3,933
	<hr/> <hr/>
At 31st January 2019	4,149
	<hr/> <hr/>

14. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £
COST			
At 1st February 2019	607,589	36,502	95,915
Additions	-	-	7,734
	<hr/>	<hr/>	<hr/>
At 31st January 2020	607,589	36,502	103,649
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1st February 2019	48,606	3,235	49,595
Charge for year	12,153	730	7,491
	<hr/>	<hr/>	<hr/>
At 31st January 2020	60,759	3,965	57,086
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31st January 2020	546,830	32,537	46,563
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31st January 2019	558,983	33,267	46,320
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Orphans in Need

Notes to the Financial Statements - continued
for the year ended 31st January 2020

14. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st February 2019	9,778	167,793	917,577
Additions	-	4,393	12,127
	<hr/>	<hr/>	<hr/>
At 31st January 2020	9,778	172,186	929,704
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1st February 2019	4,852	148,935	255,223
Charge for year	1,232	15,834	37,440
	<hr/>	<hr/>	<hr/>
At 31st January 2020	6,084	164,769	292,663
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31st January 2020	3,694	7,417	637,041
	<hr/>	<hr/>	<hr/>
At 31st January 2019	4,926	18,858	662,354
	<hr/>	<hr/>	<hr/>

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1st February 2019 and 31st January 2020	140,000
	<hr/>
NET BOOK VALUE	
At 31st January 2020	140,000
	<hr/>
At 31st January 2019	140,000
	<hr/>

The investment property has been transferred at the original cost price from 2012. In the opinion of the Trustees/Directors the 2012 price is not materially different from the present day value, and therefore represents a true and fair value of the properties.

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	208,876	411,368
Prepayments	244,809	339,921
	<hr/>	<hr/>
	453,685	751,289
	<hr/>	<hr/>

Orphans in Need

Notes to the Financial Statements - continued for the year ended 31st January 2020

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	95,402	143,290
Social security and other taxes	12,659	11,991
Other creditors	3,091	-
Accrued expenses	8,577	6,985
	<u>119,729</u>	<u>162,266</u>

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	41,250	41,250
Between one and five years	105,000	135,000
In more than five years	-	11,250
	<u>146,250</u>	<u>187,500</u>

19. MOVEMENT IN FUNDS

	At 1/2/19 £	Net movement in funds £	At 31/1/20 £
Unrestricted funds			
General fund	4,887,276	(595,930)	4,291,346
	<u>4,887,276</u>	<u>(595,930)</u>	<u>4,291,346</u>
TOTAL FUNDS			
	<u>4,887,276</u>	<u>(595,930)</u>	<u>4,291,346</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,494,991	(5,090,921)	(595,930)
Restricted funds			
Restricted Fund	5,882,116	(5,882,116)	-
	<u>10,377,107</u>	<u>(10,973,037)</u>	<u>(595,930)</u>
TOTAL FUNDS			
	<u>10,377,107</u>	<u>(10,973,037)</u>	<u>(595,930)</u>

Orphans in Need

Notes to the Financial Statements - continued for the year ended 31st January 2020

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/2/18 £	Net movement in funds £	At 31/1/19 £
Unrestricted funds			
General fund	4,888,656	(1,380)	4,887,276
TOTAL FUNDS	<u>4,888,656</u>	<u>(1,380)</u>	<u>4,887,276</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,358,476	(3,359,856)	(1,380)
Restricted funds			
Restricted Fund	8,233,172	(8,233,172)	-
TOTAL FUNDS	<u>11,591,648</u>	<u>(11,593,028)</u>	<u>(1,380)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/2/18 £	Net movement in funds £	At 31/1/20 £
Unrestricted funds			
General fund	4,888,656	(597,310)	4,291,346
TOTAL FUNDS	<u>4,888,656</u>	<u>(597,310)</u>	<u>4,291,346</u>

Orphans in Need

Notes to the Financial Statements - continued for the year ended 31st January 2020

19. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	7,853,467	(8,450,777)	(597,310)
Restricted funds			
Restricted Fund	14,115,288	(14,115,288)	-
TOTAL FUNDS	<u>21,968,755</u>	<u>(22,566,065)</u>	<u>(597,310)</u>

Restricted funds relate to donations made by individuals to one of the charities specific projects/areas as per note 2. The donations are then spent in full on these projects.

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st January 2020.