

REGISTERED COMPANY NUMBER: 07797095 (England and Wales)
REGISTERED CHARITY NUMBER: 1144812

Report of the Trustees and
Financial Statements
for the Year Ended 31st January 2021
for
Orphans in Need

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

Orphans in Need

**Contents of the Financial Statements
for the year ended 31st January 2021**

	Page
Report of the Trustees	1 to 5
Report of the Independent Auditors	6 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 23
Detailed Statement of Financial Activities	24 to 25

Orphans in Need

Report of the Trustees **for the year ended 31st January 2021**

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 2021. 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 their objectives in an efficient and effective manner. As a result, the charity will make grants to other organisations where the trustees feel is deserving and in line with the Orphans in Need policies.

Orphans in Need

Report of the Trustees for the year ended 31st January 2021

ACHIEVEMENT AND PERFORMANCE

In 2020, 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.

The greatest challenge in this time was, of course, the emergence and spread of the coronavirus pandemic. This affected our work from the UK through all of our countries of operation. We continued our vital work throughout this period, as the need for our support was now greater than ever. We continued to deliver for our beneficiaries, in particular adding hygiene kits where available. Our teams and partners in our delivery areas went the extra mile to deliver at a time when there was growing fear across the globe for personal safety.

Orphans sponsorship

Through our orphan sponsorship programme, we continue to support over 13,000 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 have access to 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. This was particularly useful during the coronavirus pandemic where we were able to respond immediately to requests from our delivery partners for vital medical aid and equipment.

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. We were also able to use this for emergency aid distribution during the pandemic.

Orphan village and orphanages

Our orphan village in Delhi has progressed over the past years by providing care to 100s of orphans and widows. Our other orphanages in Jammu and Kashmir 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.

Café Blu

Café Blu was a retail outlet based in a busy part of Birmingham, with a steady footfall of traffic and income. Customers were reminded that the café supports Orphans in Need and was a base for Orphans in Need supporters to visit and learn about the organisation as well as purchase beverages and food. Since the opening of the café, Orphans in Need has seen a significant 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 a hub in the region, bringing in old and new donors. Our investment in the business is reflected today by the continuing regular donations from the spread of our brand in the region.

Following the spread of Covid-19 and national lockdowns enforced in the UK in 2020 through to 2021, Café Blu, was forced to shutdown for much of this period. The downturn in traffic on the high streets across the country forced Café Blu, like many other small businesses, to suffer in its efforts to attract customers and make the business viable again. We feel Orphans in Need has benefitted significantly from its relationship with Café Blu, however, we were compelled to shut the business permanently following the insurmountable challenges caused by the pandemic. Unfortunately, this means the outstanding loans from Café Blu totalling £173,365 cannot be repaid and have therefore been written off.

Orphans in Need

Report of the Trustees for the year ended 31st January 2021

Ramadan and Qurbani

During the months of April and May, 25,400 food parcels were delivered to our beneficiaries for the month of Ramadan. These months are a crucial time for us during the year as most of our charitable donations come during then.

Donated Pharmaceuticals

During the year the charity had donated pharmaceuticals goods of £1.7m distributed on its behalf directly by Gift of Kindness.

Governance, administration and monitoring.

In 2021, 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.

In 2021, we were unable to carry out field visits from the UK because of the restrictions posed by the coronavirus pandemic. Monitoring continued to take place through the aforementioned methods.

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 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 £100,000 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 £12.7m during 2020/21. At the year end the charity had unrestricted reserves of £4.2m.

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

FUTURE PLANS

In 2021, we continue to work despite the ongoing pandemic and its challenges. Many of the countries we work in continue to face challenges of rising cases and lockdowns. 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

Report of the Trustees for the year ended 31st January 2021

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
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
WF13 1DH

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).

Orphans in Need

Report of the Trustees for the year ended 31st January 2021

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 20th October 2021 and signed on its behalf by:

A Musa - 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 2021 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 2021 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

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

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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charitable sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, UK tax legislation, and data protection, anti-bribery, employment, environmental, health and safety legislation along with industry specific regulations and requirements.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

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

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

21st October 2021

Orphans in Need

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31st January 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	7,257,530	5,482,279	12,739,809	10,349,619
Charitable activities					
General	4	29,235	-	29,235	-
Investment income	3	18,938	-	18,938	27,488
Total		7,305,703	5,482,279	12,787,982	10,377,107
EXPENDITURE ON					
Raising funds	5	1,333,314	-	1,333,314	1,399,838
Charitable activities					
General	6	2,878,185	5,482,279	8,360,464	9,573,199
Other	9	173,365	-	173,365	-
Total		4,384,864	5,482,279	9,867,143	10,973,037
Net gains/(losses) on investments		(15,000)	-	(15,000)	-
NET INCOME/(EXPENDITURE)		2,905,839	-	2,905,839	(595,930)
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		233,515	-	233,515	-
Net movement in funds		3,139,354	-	3,139,354	(595,930)
RECONCILIATION OF FUNDS					
Total funds brought forward		4,291,346	-	4,291,346	4,887,276
TOTAL FUNDS CARRIED FORWARD		7,430,700	-	7,430,700	4,291,346

The notes form part of these financial statements

Orphans in Need

Balance Sheet
31st January 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Intangible assets	14	29,792	-	29,792	3,933
Tangible assets	15	868,860	-	868,860	637,041
Investment property	16	125,000	-	125,000	140,000
		<u>1,023,652</u>	-	<u>1,023,652</u>	<u>780,974</u>
CURRENT ASSETS					
Debtors	17	171,739	-	171,739	453,685
Cash at bank		6,364,203	-	6,364,203	3,176,416
		<u>6,535,942</u>	-	<u>6,535,942</u>	<u>3,630,101</u>
CREDITORS					
Amounts falling due within one year	18	(128,894)	-	(128,894)	(119,729)
		<u>6,407,048</u>	-	<u>6,407,048</u>	<u>3,510,372</u>
NET CURRENT ASSETS					
		<u>6,407,048</u>	-	<u>6,407,048</u>	<u>3,510,372</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>7,430,700</u>	-	<u>7,430,700</u>	<u>4,291,346</u>
NET ASSETS					
		<u>7,430,700</u>	-	<u>7,430,700</u>	<u>4,291,346</u>
FUNDS					
Unrestricted funds	20			<u>7,430,700</u>	<u>4,291,346</u>
TOTAL FUNDS					
				<u>7,430,700</u>	<u>4,291,346</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 20th October 2021 and were signed on its behalf by:

A Musa - Trustee

Orphans in Need

Cash Flow Statement
for the year ended 31st January 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	3,232,822	(323,795)
Net cash provided by/(used in) operating activities		<u>3,232,822</u>	<u>(323,795)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(29,280)	(1,200)
Purchase of tangible fixed assets		(28,993)	(12,127)
Interest received		13,238	21,788
Net cash (used in)/provided by investing activities		<u>(45,035)</u>	<u>8,461</u>
Change in cash and cash equivalents in the reporting period			
		<u>3,187,787</u>	<u>(315,334)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>3,176,416</u>	<u>3,491,750</u>
Cash and cash equivalents at the end of the reporting period		<u><u>6,364,203</u></u>	<u><u>3,176,416</u></u>

The notes form part of these financial statements

Orphans in Need

Notes to the Cash Flow Statement
for the year ended 31st January 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	2,905,839	(595,930)
Adjustments for:		
Depreciation charges	34,110	38,856
Losses on investments	15,000	-
Interest received	(13,238)	(21,788)
Decrease in debtors	281,946	297,604
Increase/(decrease) in creditors	9,165	(42,537)
Net cash provided by/(used in) operations	<u>3,232,822</u>	<u>(323,795)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/2/20	Cash flow	At 31/1/21
	£	£	£
Net cash			
Cash at bank	3,176,416	3,187,787	6,364,203
	<u>3,176,416</u>	<u>3,187,787</u>	<u>6,364,203</u>
Total	<u>3,176,416</u>	<u>3,187,787</u>	<u>6,364,203</u>

Orphans in Need

Notes to the Financial Statements for the year ended 31st January 2021

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, as modified by the revaluation of certain assets.

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 2021

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.

Government Grants

Government grants are recognised using the accruals model. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected useful lives of the assets to which they relate.

A grant that becomes receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the company with no future related costs, is credited to income in the period in which it becomes receivable.

2. DONATIONS AND LEGACIES

	2021 Restricted £	2021 Unrestricted £	2021 Total £	2020 Total £
Donations	3,709,791	5,965,525	9,675,316	6,710,868
Gift Aid	-	1,292,005	1,292,005	764,201
Donated Services and Facilities	1,772,488	-	1,772,488	2,874,550
	<u>5,482,279</u>	<u>7,257,530</u>	<u>12,739,809</u>	<u>10,349,619</u>

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

	2021 £	2020 £
Water	37,207	727
Orphans	2,599,281	2,248,079
Places of Worship	3,262	1,921
Food	1,068,591	756,839
Education	-	-
Emergency	1,450	-
Medical Supplies	1,772,488	2,874,550
	<u>5,482,279</u>	<u>5,882,116</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 2021

3. INVESTMENT INCOME

	2021	2020
	£	£
Rents received	5,700	5,700
Deposit account interest	13,238	21,788
	<u>18,938</u>	<u>27,488</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Activity		
Grants	29,235	-
	<u>29,235</u>	<u>-</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
	<u>£</u>	<u>£</u>

5. RAISING FUNDS

Raising donations and legacies

	2021	2020
	£	£
Staff costs	400,333	378,286
Postage and stationery	9,093	11,539
Marketing	496,658	681,443
Fund raising expenses	275,600	211,426
Telephone	8,770	12,790
Motor and travel	18,298	17,118
Accommodation	844	4,469
Bank charges	123,718	82,767
	<u>1,333,314</u>	<u>1,399,838</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 7)	Support costs (see note 8)	Totals
	£	£	£	£
General	737,631	7,574,523	48,310	8,360,464
	<u>737,631</u>	<u>7,574,523</u>	<u>48,310</u>	<u>8,360,464</u>

Orphans in Need

Notes to the Financial Statements - continued for the year ended 31st January 2021

7. GRANTS PAYABLE

	2021	2020
	£	£
General	<u>7,574,523</u>	<u>8,829,487</u>

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

	2021	2020
	£	£
Orphans in Need - India	1,938,595	1,413,114
Orphans in Need - Jammu & Kashmir	1,315,323	1,299,328
Alsabil Welfare House	1,120,438	1,455,057
Orphans in Need - Pakistan	226,470	669,377
Novo Jibon	265,347	221,592
OIN Nepal	317,550	226,089
African Development Trust	125,770	158,223
Donated Pharmaceuticals	1,772,488	2,874,550
Other grants of less than £150,000 in the period	492,542	512,157
	<u>7,574,523</u>	<u>8,829,487</u>

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.

8. SUPPORT COSTS

	Management	Governance	Totals
	£	costs £	£
General	<u>8,500</u>	<u>39,810</u>	<u>48,310</u>

9. OTHER

	2021	2020
	£	£
Loans written off	<u>173,365</u>	<u>-</u>

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

10. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Auditors' remuneration	5,100	4,800
Depreciation - owned assets	30,689	37,440
Website Costs amortisation	<u>3,421</u>	<u>1,416</u>

Orphans in Need

Notes to the Financial Statements - continued
for the year ended 31st January 2021

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st January 2021 nor for the year ended 31st January 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st January 2021 nor for the year ended 31st January 2020.

12. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	573,688	509,213
Social security costs	46,051	43,720
Pension	10,634	8,376
	630,373	561,309

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

2021	2020
27	25

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	4,467,503	5,882,116	10,349,619
Investment income	27,488	-	27,488
Total	4,494,991	5,882,116	10,377,107
EXPENDITURE ON			
Raising funds	1,399,838	-	1,399,838
Charitable activities			
General	3,691,083	5,882,116	9,573,199
Total	5,090,921	5,882,116	10,973,037
NET INCOME/(EXPENDITURE)	(595,930)	-	(595,930)
RECONCILIATION OF FUNDS			
Total funds brought forward	4,887,276	-	4,887,276
TOTAL FUNDS CARRIED FORWARD	4,291,346	-	4,291,346

Orphans in Need

Notes to the Financial Statements - continued
for the year ended 31st January 2021

14. INTANGIBLE FIXED ASSETS

	Website Costs £
COST	
At 1st February 2020	9,784
Additions	29,280
	39,064
At 31st January 2021	39,064
AMORTISATION	
At 1st February 2020	5,851
Charge for year	3,421
	9,272
At 31st January 2021	9,272
NET BOOK VALUE	
At 31st January 2021	29,792
At 31st January 2020	3,933

15. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Fixtures and fittings £
COST OR VALUATION			
At 1st February 2020	607,589	36,502	103,649
Additions	-	-	-
Revaluations	155,909	-	-
Reclassification	36,502	(36,502)	-
	800,000	-	103,649
At 31st January 2021	800,000	-	103,649
DEPRECIATION			
At 1st February 2020	60,759	3,965	57,086
Charge for year	12,152	730	6,984
Revaluation adjustments	(72,911)	(4,695)	-
	-	-	64,070
At 31st January 2021	-	-	64,070
NET BOOK VALUE			
At 31st January 2021	800,000	-	39,579
At 31st January 2020	546,830	32,537	46,563

Orphans in Need

Notes to the Financial Statements - continued
for the year ended 31st January 2021

15. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1st February 2020	9,778	172,186	929,704
Additions	-	28,993	28,993
Revaluations	-	-	155,909
Reclassification	-	-	-
At 31st January 2021	9,778	201,179	1,114,606
DEPRECIATION			
At 1st February 2020	6,084	164,769	292,663
Charge for year	924	9,899	30,689
Revaluation adjustments	-	-	(77,606)
At 31st January 2021	7,008	174,668	245,746
NET BOOK VALUE			
At 31st January 2021	2,770	26,511	868,860
At 31st January 2020	3,694	7,417	637,041

The Freehold Property was professionally valued by Hayfield Robinson in October 2021. Original cost was £644,091.

16. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1st February 2020	140,000
Revaluation	(15,000)
At 31st January 2021	125,000
NET BOOK VALUE	
At 31st January 2021	125,000
At 31st January 2020	140,000

The investment property was professionally valued by Hayfield Robinson in October 2021.

Orphans in Need

Notes to the Financial Statements - continued
for the year ended 31st January 2021

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2021	2020
		£	£
Other debtors		28,202	208,876
Prepayments		143,537	244,809
		<hr/> 171,739 <hr/>	<hr/> 453,685 <hr/>
18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		2021	2020
		£	£
Trade creditors		98,035	95,402
Social security and other taxes		13,203	12,659
Other creditors		2,800	3,091
Accrued expenses		14,856	8,577
		<hr/> 128,894 <hr/>	<hr/> 119,729 <hr/>
19. LEASING AGREEMENTS			
Minimum lease payments under non-cancellable operating leases fall due as follows:			
		2021	2020
		£	£
Within one year		41,250	41,250
Between one and five years		63,750	105,000
		<hr/> 105,000 <hr/>	<hr/> 146,250 <hr/>
20. MOVEMENT IN FUNDS			
		Net	
	At 1/2/20	movement	At
	£	in funds	31/1/21
		£	£
Unrestricted funds			
General fund	4,291,346	3,139,354	7,430,700
	<hr/> 4,291,346 <hr/>	<hr/> 3,139,354 <hr/>	<hr/> 7,430,700 <hr/>
TOTAL FUNDS	4,291,346	3,139,354	7,430,700
	<hr/> 4,291,346 <hr/>	<hr/> 3,139,354 <hr/>	<hr/> 7,430,700 <hr/>

Orphans in Need

Notes to the Financial Statements - continued
for the year ended 31st January 2021

20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	7,305,703	(4,384,864)	218,515	3,139,354
Restricted funds				
Restricted Fund	5,482,279	(5,482,279)	-	-
TOTAL FUNDS	<u><u>12,787,982</u></u>	<u><u>(9,867,143)</u></u>	<u><u>218,515</u></u>	<u><u>3,139,354</u></u>

Comparatives for 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
TOTAL FUNDS	<u><u>4,887,276</u></u>	<u><u>(595,930)</u></u>	<u><u>4,291,346</u></u>

Comparative 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)	-
TOTAL FUNDS	<u><u>10,377,107</u></u>	<u><u>(10,973,037)</u></u>	<u><u>(595,930)</u></u>

Orphans in Need

Notes to the Financial Statements - continued for the year ended 31st January 2021

20. MOVEMENT IN FUNDS - continued

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

	At 1/2/19 £	Net movement in funds £	At 31/1/21 £
Unrestricted funds			
General fund	4,887,276	2,543,424	7,430,700
TOTAL FUNDS	<u>4,887,276</u>	<u>2,543,424</u>	<u>7,430,700</u>

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 £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	11,800,694	(9,475,785)	218,515	2,543,424
Restricted funds				
Restricted Fund	11,364,395	(11,364,395)	-	-
TOTAL FUNDS	<u>23,165,089</u>	<u>(20,840,180)</u>	<u>218,515</u>	<u>2,543,424</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.

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st January 2021.

Orphans in Need

Detailed Statement of Financial Activities for the year ended 31st January 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	9,675,316	6,710,868
Gift aid	1,292,005	764,201
Donated services and facilities	1,772,488	2,874,550
	12,739,809	10,349,619
Investment income		
Rents received	5,700	5,700
Deposit account interest	13,238	21,788
	18,938	27,488
Charitable activities		
Grants	29,235	-
	29,235	-
Total incoming resources	12,787,982	10,377,107
EXPENDITURE		
Raising donations and legacies		
Wages	363,672	338,860
Social security	28,793	32,537
Pensions	7,868	6,889
Postage and stationery	9,093	11,539
Marketing	496,658	681,443
Fund raising expenses	275,600	211,426
Telephone	8,770	12,790
Motor and travel	18,298	17,118
Accommodation	844	4,469
Bank charges	123,718	82,767
	1,333,314	1,399,838
Charitable activities		
Wages	136,019	142,353
Social security	10,024	4,765
Pensions	2,562	1,487
Rates and water	43,354	56,088
Light and heat	14,988	21,535
Telephone	8,770	12,789
Postage and stationery	9,093	11,539
Sundries	9,618	8,593
Legal and professional fees	21,289	20,584
Fund raising expenses	283,295	211,427
Rent	45,839	44,215
Carried forward	584,851	535,375

This page does not form part of the statutory financial statements

Orphans in Need

Detailed Statement of Financial Activities
for the year ended 31st January 2021

	2021 £	2020 £
Charitable activities		
Brought forward	584,851	535,375
Premises expenses	15,788	16,609
Equipment hire	4,564	12,131
Software costs	49,732	56,659
Programme wages	37,780	28,000
Programme social security	3,443	2,679
Support wages	36,422	35,667
Support social security	3,790	3,739
Training	1,261	-
Grants to institutions	7,574,523	8,829,487
	8,312,154	9,520,346
Other		
Loans written off	173,365	-
Support costs		
Management		
Insurance	8,500	8,597
Governance costs		
Auditors' remuneration	5,100	4,800
Accountancy	600	600
Amortisation of intangible fixed assets	3,421	1,416
Depreciation of tangible fixed assets	30,689	37,440
	39,810	44,256
Total resources expended	9,867,143	10,973,037
Net income/(expenditure)	2,920,839	(595,930)