

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021
FOR
KASHMIR ORPHAN RELIEF TRUST**

KASHMIR ORPHAN RELIEF TRUST
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For The Year Ended 31 October 2021

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KASHMIR ORPHAN RELIEF TRUST
REFERENCE AND ADMINISTRATIVE DETAILS
For The Year Ended 31 October 2021

TRUSTEES

Mr A A Latif
Mr M Akhtar
Mr M M Afzal
Mr M R Bashir
Mr M Yaqoob
Mr N Farooq
Mr P Akhtar (resigned 12.4.21)
Mr Z Hussain
Mr M Nisar (appointed 13.8.21)

PRINCIPAL ADDRESS

Leicester Business Centre
111 Ross Walk
Leicester
Leicestershire
LE4 5HH

REGISTERED CHARITY NUMBER

1113836

AUDITORS

Fortus Audit LLP
Chartered Accountants & Statutory Auditor
31 High View Close
Hamilton Office Park
Leicester
Leicestershire
LE4 9LJ

KASHMIR ORPHAN RELIEF TRUST
REPORT OF THE TRUSTEES
For The Year Ended 31 October 2021

The trustees present their report with the financial statements of the charity for the year ended 31 October 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 and aims

The key objective of the charity is to raise funds for the purpose of providing relief to the poor, disabled, widows, and orphans of Azad Jammu Kashmir-Pakistan. With the assistance of the charity, these categories of people are provided with (depending on their need) necessities such as food, shelter, clothes, medicines, education, wheelchairs, and sewing machines.

Public benefit

The Trustees have reviewed the general guidance provided by the Charity Commission with regard to a statement of public benefit. The Trustees have ensured that the Charity remains focussed on our charitable aims and continue to deliver benefits to the public.

Grantmaking

KORT does not provide grants to any individuals or organisations. Funds are used for our own selected projects i.e., sustainability of our own orphanage in Mirpur Azad Kashmir, and distribution of food relief packages, wheelchairs and sewing machines to the poor & needy, and to build clean drinking water facilities, homes, and schools in the most deprived of areas of Azad Kashmir - once the need has been verified by our own local teams.

KASHMIR ORPHAN RELIEF TRUST
REPORT OF THE TRUSTEES
For The Year Ended 31 October 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Orphans Sponsorship and Sustainability Program

During the period YE2021, The KORT Sponsorship Program catered for 430 orphan children based in our purpose-built home for orphans: namely The KORT Educational Complex, Akhtarabad, Mirpur, Azad Kashmir. At KORT, the children are safeguarded from the scourge of poverty and provided with fresh meals, safe and secure environment, living accommodation, recreational facilities, casual clothing and school uniforms, medical care, and quality education.

October 2021

2005 Earthquake Remembrance Walk and 16th Anniversary of KORT

On 8th October 2021, KORT remembered the victims of the 2005 earthquake by holding a remembrance walk in the city of Mirpur AJK. Later that evening, the students of KORT organised a celebratory event to mark our 16th anniversary with amazing performances by the children in the presence of esteemed guests from around the world including the President of AJK: Sultan Mehmood Chaudhry and Labour MP for Bradford West: Naz Shah. Three KORT students also completed Hifz (memorisation) of the Holy Quran, praise be to the Almighty.

Recognition for the Chairman of KORT

A beautiful ceremony was held at the Pakistan National Assembly in Islamabad on 22nd October 2021 to award, recognise, commend, and appreciate the hard efforts of three amazing individuals who are trying to bring relief to the suffering humanity in Pakistan. One of those individuals was our chairman Ch. Mohammed Akhtar (TI), who was awarded the highest honour of the National Assembly of Pakistan in recognition of his services for humanity. As Ch. Akhtar was unable to attend the event, one of KORT's daughters accepted the award on his behalf. The event was also attended by many parliamentarians and members of the civil society. Our chairman would like to thank and dedicate this award to his family, the children of KORT, the Trustees, the staff, and to all our Muskorteers and donors from around the world.

KORT Swabi Islamic Studies and Residential Complex Update

The construction of the new complex is going according to schedule. Work on all 3 buildings has been progressing well with raft work in progress on the Hostel building (third block), preparations for the second floor are underway for the Islamic block (second block), and plate work on the main admin block is nearing completion. At its peak, the complex will be able to accommodate up to 300 orphan children.

September 2021

Education for All Project Update

Education plays an important role in developing a country in every field and helps reduce poverty and thousands of children remain out of school across Azad Kashmir. With the support of our donors, KORT has pledged to build many schools under our project "Education for All". Construction work has started for schools in over 10 locations across Azad Kashmir which will be completed during the latter half of 2022.

August 2021

Wheelchair Accessible Washrooms for Disabled People

Wheelchair accessible washrooms are an absolute necessity for many people with disabilities. KORT is the first organisation in the history of Pakistan to take the initiative of constructing wheelchair accessible washrooms at public places in Islamabad. Our aim is to build wheelchair accessible washrooms at all public places across Pakistan so that the special people in our lives can enjoy travelling and visiting public places without having to worry about using washrooms. 9 of these washrooms were built up to the end of October 2021. A further 5 more have been built since then.

July 2021

KORT builds a much-needed Mosque for the people of Pattika, Nasirabad, Muzaffarabad, AJK.

At the heart of any Islamic community, a mosque can be found. A mosque is a sanctuary where people come for moral guidance, where we teach our children about the Qur'an, and where we come to honour and worship our Creator.

Due to a desperate need of a Mosque in a village in Muzaffarabad, AJK, KORT built a Mosque with the support of our generous donors and named it Masjid-e-Javed as per the wishes of a family who supported the project.

KASHMIR ORPHAN RELIEF TRUST
REPORT OF THE TRUSTEES
For The Year Ended 31 October 2021

Women Empowerment

The situation of unemployment and poverty affects women the worst. They rely on men for everything because they have no source of income. This problem is exacerbated if the men are unemployed as well. Through vocational training, women can start their own businesses or enter the workforce, enabling women to become independent. KORT has established a Sewing Training Centre at our KORT Mirpur City Office to help empower women so they can earn an income from home using basic tailoring skills. In March 2021, Team KORT also distributed hundreds of sewing machines, unstitched ladies' suits, and tailoring accessories to the needy women of Deraa Ismail Khan, Pakistan.

Relief for the Cloudburst Affected People of Neelum Valley, AJK and Islamabad, Pakistan

In July 2021, a devastating cloudburst struck the village of Salkhala in Athmuqaam, Neelum Valley AJK, claiming 3 lives, destroying many houses, and injuring many people. Team KORT were on hand to assist in rescue and relief efforts to ease the hardships of the affected families. KORT pledged to rebuild 17 houses thanks to the generosity of our kind donors for needy families who had lost their homes. The homes were built and handed over to the families during February 2022. Torrential rain also devastated the capital Islamabad sweeping away cars and flooding low level homes and businesses. Team KORT also supported the affected people with hot food, care packages, blankets, and duvets. Thank you to all our donors and Muskorteers who supported this appeal.

Qurbani Meat

Praise be to the Almighty, KORT carried out another successful Qurbani project this year, supporting needy people in over 20 different locations of Azad Kashmir. A record 212 large animals were sacrificed for the sake of the Almighty on behalf of our generous donors benefiting over 12,000 needy families. Thank you to our Muskorteers and staff across Azad Kashmir for their hard efforts in delivering a successful Qurbani project. A big thank you also to our generous donors who donated their Qurbani for the needy communities in Azad Kashmir.

Food Relief for the Residents of Rawalakot, AJK

Over 200 needy families were provided with food packages with enough essentials to feed a family of five for a month. Many poor families have struggled for essentials due to the Covid-19 pandemic and the rising costs for essential food items. As always, KORT will do what it can to support the deserving families with the support of our donors.

June 2021

Cakes 4 Orphans Campaign

Thank you to our Muskorteers (volunteers) from across the UK who helped raise over £100,000 for the orphans of KORT by selling chocolate fudge cakes around the UK whilst fasting during Ramadhan 2021. Due to the great humanitarian work of KORT, our passionate Muskorteers in UK and Pakistan/AJK also help organise and support fundraising events, charity car wash's & fun days, collections at local Mosques, charity days at their shops, takeaways, and restaurants, run marathons, arrange sponsored walks up high mountains, and assist in relief distributions throughout the year. May the Almighty accept their efforts and bless them all in abundance.

May 2021

Fitrana Distribution

Over £10,000 worth of Fitrana funds were distributed to needy people before Eid-UI-Fitr. Over 400 recipients received 5,000 rupees each to enjoy and celebrate Eid with their families. Fitrana is a way to give thanks to God for having enabled us the strength to observe the obligatory fasts and a way to cleanse ourselves of any shortcomings or misconduct during the month of Ramadan.

KASHMIR ORPHAN RELIEF TRUST
REPORT OF THE TRUSTEES
For The Year Ended 31 October 2021

Food Relief for Thousands of Needy Families

For many of us, our Ramadan fasting experience is eased by eating nutritious food for Suhoor (meal before fasting) and Iftar (meal to break the fast). However, many Muslims are unable to afford the nutritious food they need to sustain them after a hard day of fasting. Ramadan is the month in which one experiences the hunger and thirst that less fortunate people suffer living in conflict areas, and poor and developing countries around the world every day. With the generosity of our donors, KORT provided food packs to thousands of needy families across Azad Kashmir and parts of Pakistan. Each food pack contained essential food items to feed a family of 5 for 1 month. Thank you to all our donors and Muskorteers who supported our Ramadan appeals to bring relief and joy to thousands of needy families during the month of blessings.

March 2021

Lifesaving Oxygen Cylinders for the District Headquarters Hospital in Mirpur, AJK

KORT is always on hand to help the needy when called upon. In March 2021, KORT provided 150 lifesaving oxygen cylinders to the District Headquarters Hospital DHQ Mirpur to save lives during a surge in covid related admissions. Thank you to our generous donors who have always supported our emergency appeals to help the suffering humanity.

January - October 2021

Clean Water for All Project

With water related diseases claiming thousands of lives each year, KORT has prioritised providing clean drinking water to communities across AJK to save lives. Over 20 water filtration plants have been built across Azad Kashmir and Pakistan during 2021 benefitting thousands of people with many more installations to follow in 2022.

December 2020

Earthquake Housing Project

KORT pledged to build 150 homes for the poor & needy whose homes were demolished or damaged beyond economical repair by the September 2020 Earthquake in Mirpur AJK. Despite encountering delays due to the Covid-19 lockdowns, over 100 houses have been built and handed over to the needy families and we hope to complete the remaining houses within the KORT Village soon. Thank you to our amazing donors for your beautiful gifts for the suffering humanity.

November 2020

KORT Helps Establish a Digital Laboratory at District Headquarters Hospital in Kotli AJK

Technological developments in healthcare have saved countless patients and are continuously improving our quality of life. Not only that, but technology in the medical field has also had a massive impact on nearly all processes and practices of healthcare professionals. In view of this, KORT helped establish a Digital Laboratory at the District Headquarter Hospital in Kotli Azad Kashmir by providing 15 desktop computers with monitors and accessories to increase provider capabilities and patient access while improving the quality of life for some patients and saving the lives of others.

November 2020 - April 2021

Turning Disability into Ability Project

Since we started our Turning Disability into Ability project in 2017, thousands of deserving needy people have benefitted from our wheelchair distributions with many users experiencing some sort of independence and freedom for the first time. From November 2020 till October 2021, we have provided hundreds of wheelchairs to needy people across Azad Kashmir, Gilgit Baltistan, and Khyber Pakhtunkhwa Pakistan.

KASHMIR ORPHAN RELIEF TRUST
REPORT OF THE TRUSTEES
For The Year Ended 31 October 2021

Fundraising activities

Here are KORT's main fundraising methods and activities:

- Charity Fundraising Dinners - The charity holds charity fundraising events throughout the year in different cities across England to provide feedback to our donors of how and where their donations have been used and share plans of future projects for the sustainability of KORT and to ease the pain of the suffering humanity in Azad Kashmir and Pakistan. Unfortunately, due to the Covid-19 restrictions, we were not able to hold any charity dinners during this accounts period.

- TV & Radio Appeals - A total of 6 Live Radio Appeals and 5 Live TV Appeals were broadcasted during this accounting period.

- Online Fundraising Platforms - Several of our Muskorteers (volunteers) from across England raised funds for KORT by setting up fundraising pages on Justgiving.com.

FINANCIAL REVIEW

Financial position

During the year ended 31st October 2021, the charity received an income totalling £3,223,678 (cf.2020: £3,304,936). This included Gift Aid of £232,206 of which £182,150 was received from the HMRC and a further £50,055 was received via JustGiving. An expenditure of £4,028,915 was incurred to meet the charity's prime objectives in Azad Kashmir. £3,708,500 of the total expenditure went towards the running of the orphanage in Mirpur Azad Kashmir and towards providing relief to the suffering humanity in Azad Kashmir and Pakistan. The total amount of funds carried forward was £2,185,966 (cf.2020: £2,991,203).

The last two years have been extremely difficult for everyone due to the uncertainties caused by the Covid-19 pandemic. Limitations to travel and logistics made it very difficult to deliver critical projects. However, KORT still managed to serve hundreds of orphaned children and support and alleviate poverty for thousands of needy people across Azad Kashmir and Pakistan.

During the accounts period of YE 2021, an extra £805,237 was spent on top of our annual income from the balance carried forward from YE 2020 to deliver our charitable objectives.

2022 will see further progress on the construction of our new orphanage in Swabi, KPK Pakistan along with many more schools and water filtration plants being built for communities in desperate need for these necessities.

With a population of around 4.5million people, Azad Kashmir is desperately in need of a hospital which is accessible for all and most importantly, provides 'free' quality healthcare. Most of the people in Azad Kashmir live below the poverty line and must travel to the Pakistani capital of Islamabad for specialist treatment. A journey and expense that the poor simply cannot afford. To alleviate the pain of the suffering humanity in Azad Kashmir, KORT will be building the largest free-of-cost hospital in Mirpur Azad Kashmir to provide free quality healthcare for all.

Principal funding sources

Funds received via direct debit and standing order remains a key source of income for KORT. This maintains a constant flow of income to sustain our orphans' home and deliver our charitable objectives.

Gift Aid is also an important source of income for KORT, and we make effective use of this additional money. Gift Aid helps to cover our essential operating and administration costs, ensuring donations have maximum impact and reach those in need.

KASHMIR ORPHAN RELIEF TRUST
REPORT OF THE TRUSTEES
For The Year Ended 31 October 2021

Reserves policy

Purpose

The purpose of the Reserve Policy is for KORT UK to build and maintain an adequate level of unrestricted funds to support KORT AK's day-to-day operations in the event of unforeseen shortfalls. The reserve may also be used for one-time, nonrecurring expenses that will build long-term capacity, such as staff development and investment in infrastructure.

Reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. The charity intends for the reserves to be used and replenished periodically as necessary. This Reserve Policy will be implemented in conjunction with the other financial policies of the charity and is intended to support the goals and strategies contained in those related policies and in strategic and operational plans.

Definitions and Goals

The Reserve is defined as the designated fund set aside by action of the Board of Trustees. The minimum amount to be designated as reserve will be established in an amount adequate to maintain ongoing administrative costs for a set period measured in months. The reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

The intention of KORT UK is to build a minimum Reserve fund equal to 3 years of average recurring operating costs. This is calculated by KORT AK's monthly running costs multiplied by 36 months. In addition to calculating the actual reserve at the fiscal year-end, the reserve fund minimum will be calculated each year after approval of the annual budget. These reserves will be reported to the Board of Trustees and included in the regular financial reports.

Funding of Reserves

The Reserve Fund will be funded by KORT UK with surplus unrestricted operating funds. The Board of Trustees may, from time to time, direct that a specific source of revenue be set aside for reserves. For example, special appeals.

The Board of Trustees will identify the need for access to reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Reserve Policy.

Authority to use Reserves

KORT AK will submit a request to use reserves to the Board of Trustees. The request will include the analysis and determination of the use of funds and plans for replenishment. The charity's goal is to replenish the funds used within a reasonable amount of time as necessary to restore the Reserve Fund to the target minimum amount. The Board of Trustees will either approve or modify the request and authorise transfer from the Reserve Fund.

Reporting and Monitoring

The Board of Trustees are responsible for ensuring that the Reserve Fund is maintained and used only as described in this Policy. Upon approval of the use of reserve funds, the KORT AK's accounts department will maintain records of the use of funds and plan for replenishment of the reserve fund account. KORT AK's accounts department will provide regular periodic reports to the Board of Trustees of progress to restore the fund to the target minimum amount.

The Board of Trustees will annually discuss what additional risk factors might be considered for the organisation and the impact of budgeting on reserve levels.

Review of Policy

This Policy will be reviewed by the Board of Trustees annually at minimum, or sooner if warranted by internal or external events or changes. Changes to the Policy will be recommended by the accounts department to the Board of Trustees.

This policy, upon every revision hereof, must be distributed by the Office Manager to the following individuals/entities: Internal Accounts department, relevant managers.

KASHMIR ORPHAN RELIEF TRUST
REPORT OF THE TRUSTEES
For The Year Ended 31 October 2021

The Internal Accounts department is established by the KORT Board of Trustees to recommend financial policies, strategies, and budgets that support the mission, values, and strategic plan of the charity. Its purpose is to ensure the financial health and integrity of the charity in pursuit of its mission to focus on alleviating poverty for those in dire need of humanitarian aid - via critical emergency aid, and/or social sustainable projects.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The charity is constituted by a Trust Deed dated 10 April 2006 and is registered with the Charity Commission in England.

Recruitment and appointment of new trustees

The recruitment and selection of new members of the Board of Trustees is the responsibility of the Board.

The selection process includes inviting selected individuals who have been affiliated with KORT over the years and are respected in their own communities to a meeting with senior trustees to assess their suitability for the role. Following this, the Trustees meet to discuss each applicant, and those who are felt to fulfil their criteria are invited to join the Board subject to appropriate checks and references.

Organisational structure

KORT has 8 trustees, 4 full-time admin staff, and a graphic designer on a part-time basis in the UK.

Induction and training of new trustees

Trustees that are selected are already aware of the ways of working of KORT. Once on board, the senior trustees explain to them their roles and responsibilities, an introduction to other trustees, an overview of recent activities, an explanation of the Board format, processes, and our projects.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Approved by order of the board of trustees on 30 August 2022 and signed on its behalf by:



Mr M Akhtar - Trustee

KASHMIR ORPHAN RELIEF TRUST

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
For The Year Ended 31 October 2021**

The trustees 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).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
KASHMIR ORPHAN RELIEF TRUST**

Opinion

We have audited the financial statements of Kashmir Orphan Relief Trust (the 'charity') for the year ended 31 October 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 charity's affairs as at 31 October 2021 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charity 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 charity'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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
KASHMIR ORPHAN RELIEF TRUST**

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK GAAP and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

We understood how the charity is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assess the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the charity has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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 TRUSTEES OF
KASHMIR ORPHAN RELIEF TRUST**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Fortus Audit LLP
Chartered Accountants & Statutory Auditor
31 High View Close
Hamilton Office Park
Leicester
Leicestershire
LE4 9LJ

30 August 2022

KASHMIR ORPHAN RELIEF TRUST
STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 October 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	3,220,432	-	3,220,432	3,302,711
Investment income	3	<u>3,246</u>	-	<u>3,246</u>	<u>2,225</u>
Total		<u>3,223,678</u>	-	<u>3,223,678</u>	<u>3,304,936</u>
EXPENDITURE ON					
Raising funds	4	313,275	-	313,275	251,875
Charitable activities					
Donations paid to beneficiaries	5	3,708,500	-	3,708,500	1,120,550
Other		<u>7,140</u>	-	<u>7,140</u>	<u>6,060</u>
Total		<u>4,028,915</u>	-	<u>4,028,915</u>	<u>1,378,485</u>
NET INCOME/(EXPENDITURE)		(805,237)	-	(805,237)	1,926,451
RECONCILIATION OF FUNDS					
Total funds brought forward		2,984,053	7,150	2,991,203	1,064,752
TOTAL FUNDS CARRIED FORWARD		<u>2,178,816</u>	<u>7,150</u>	<u>2,185,966</u>	<u>2,991,203</u>

The notes form part of these financial statements

KASHMIR ORPHAN RELIEF TRUST

**BALANCE SHEET
31 October 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	11	16,295	-	16,295	19,506
CURRENT ASSETS					
Debtors	12	-	-	-	12,962
Cash at bank		<u>2,182,056</u>	<u>7,150</u>	<u>2,189,206</u>	<u>2,971,629</u>
		2,182,056	7,150	2,189,206	2,984,591
CREDITORS					
Amounts falling due within one year	13	(19,535)	-	(19,535)	(12,894)
NET CURRENT ASSETS		<u>2,162,521</u>	<u>7,150</u>	<u>2,169,671</u>	<u>2,971,697</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,178,816</u>	<u>7,150</u>	<u>2,185,966</u>	<u>2,991,203</u>
NET ASSETS		<u>2,178,816</u>	<u>7,150</u>	<u>2,185,966</u>	<u>2,991,203</u>
FUNDS	14				
Unrestricted funds				2,178,816	2,984,053
Restricted funds				<u>7,150</u>	<u>7,150</u>
TOTAL FUNDS				<u>2,185,966</u>	<u>2,991,203</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 August 2022 and were signed on its behalf by:



Mr M Akhtar - Trustee

The notes form part of these financial statements

KASHMIR ORPHAN RELIEF TRUST
CASH FLOW STATEMENT
For The Year Ended 31 October 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(784,569)</u>	<u>2,005,702</u>
Net cash (used in)/provided by operating activities		<u>(784,569)</u>	<u>2,005,702</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,100)	(344)
Interest received		<u>3,246</u>	<u>2,225</u>
Net cash provided by investing activities		<u>2,146</u>	<u>1,881</u>
Change in cash and cash equivalents in the reporting period		(782,423)	2,007,583
Cash and cash equivalents at the beginning of the reporting period		<u>2,971,629</u>	<u>964,046</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,189,206</u></u>	<u><u>2,971,629</u></u>

The notes form part of these financial statements

KASHMIR ORPHAN RELIEF TRUST

NOTES TO THE CASH FLOW STATEMENT
For The Year Ended 31 October 2021

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

	2021	2020
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(805,237)	1,926,451
Adjustments for:		
Depreciation charges	4,311	5,101
Interest received	(3,246)	(2,225)
Decrease in debtors	12,962	76,764
Increase/(decrease) in creditors	<u>6,641</u>	<u>(389)</u>
Net cash (used in)/provided by operations	<u>(784,569)</u>	<u>2,005,702</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.11.20	Cash flow	At 31.10.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>2,971,629</u>	<u>(782,423)</u>	<u>2,189,206</u>
	<u>2,971,629</u>	<u>(782,423)</u>	<u>2,189,206</u>
Total	<u>2,971,629</u>	<u>(782,423)</u>	<u>2,189,206</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 October 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. The financial statements have been prepared under the historical cost convention.

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.

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

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.

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

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

Tangible fixed assets

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

Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 20% on reducing balance
Office equipment	- 25% on reducing balance

Taxation

The charity is exempt from tax on its charitable activities.

KASHMIR ORPHAN RELIEF TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 October 2021

1. ACCOUNTING POLICIES - continued

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.

Pension costs and other post-retirement benefits

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

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	2,988,236	2,981,932
Gift aid	<u>232,196</u>	<u>320,779</u>
	<u><u>3,220,432</u></u>	<u><u>3,302,711</u></u>

3. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>3,246</u>	<u>2,225</u>

4. RAISING FUNDS

Raising donations and legacies

	2021	2020
	£	£
Staff costs	67,411	62,219
Rent, service charges and rates	10,340	10,171
Insurance	776	744
Telephone	1,275	951
Postage and stationery	9,184	6,554
Subscriptions	1,610	2,051
Fundraising event costs	97,436	76,964
Advertising	2,927	4,389
TV channels and radio appeal costs	77,320	36,483
Travelling and subsistence	18,073	25,197
Bank and credit card charges	18,445	21,051
Service charges	4,167	-
Depreciation	<u>4,311</u>	<u>5,101</u>
	<u><u>313,275</u></u>	<u><u>251,875</u></u>

KASHMIR ORPHAN RELIEF TRUST
NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 October 2021

5. CHARITABLE ACTIVITIES COSTS

		Grant funding of activities (see note 6) £
Donations paid to beneficiaries		<u>3,708,500</u>

6. GRANTS PAYABLE

	2021	2020
	£	£
Donations paid to beneficiaries	<u>3,708,500</u>	<u>1,120,550</u>

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

	2021	2020
	£	£
Donations	<u>3,708,500</u>	<u>1,120,550</u>

7. SUPPORT COSTS

		Governance costs £
Other resources expended		<u>7,140</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

Trustees' expenses paid were £2,603 for the year ended 31 October 2021 and NIL for the year ended 31 October 2020.

9. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	67,300	61,392
Other pension costs	<u>111</u>	<u>827</u>
	<u>67,411</u>	<u>62,219</u>

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

	2021	2020
Staff	<u>4</u>	<u>3</u>

No employees received emoluments in excess of £60,000.

KASHMIR ORPHAN RELIEF TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 October 2021

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2,617,412	685,299	3,302,711
Investment income	<u>2,225</u>	<u>-</u>	<u>2,225</u>
Total	<u>2,619,637</u>	<u>685,299</u>	<u>3,304,936</u>
EXPENDITURE ON			
Raising funds	251,875	-	251,875
Charitable activities			
Donations paid to beneficiaries	442,401	678,149	1,120,550
Other	<u>6,060</u>	<u>-</u>	<u>6,060</u>
Total	<u>700,336</u>	<u>678,149</u>	<u>1,378,485</u>
NET INCOME	1,919,301	7,150	1,926,451
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>1,064,752</u>	<u>-</u>	<u>1,064,752</u>
TOTAL FUNDS CARRIED FORWARD	<u>2,984,053</u>	<u>7,150</u>	<u>2,991,203</u>

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Office equipment £	Totals £
COST				
At 1 November 2020	2,129	25,100	12,164	39,393
Additions	<u>-</u>	<u>-</u>	<u>1,100</u>	<u>1,100</u>
At 31 October 2021	<u>2,129</u>	<u>25,100</u>	<u>13,264</u>	<u>40,493</u>
DEPRECIATION				
At 1 November 2020	1,371	9,036	9,480	19,887
Charge for year	<u>152</u>	<u>3,213</u>	<u>946</u>	<u>4,311</u>
At 31 October 2021	<u>1,523</u>	<u>12,249</u>	<u>10,426</u>	<u>24,198</u>
NET BOOK VALUE				
At 31 October 2021	<u>606</u>	<u>12,851</u>	<u>2,838</u>	<u>16,295</u>
At 31 October 2020	<u>758</u>	<u>16,064</u>	<u>2,684</u>	<u>19,506</u>

KASHMIR ORPHAN RELIEF TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 October 2021

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Prepayments	-	4,167
Accrued income	-	8,795
	<u>-</u>	<u>12,962</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	-	2,083
Taxation and social security	371	145
Other creditors	19,164	10,666
	<u>19,535</u>	<u>12,894</u>

14. MOVEMENT IN FUNDS

	At 1.11.20	Net movement in funds	At 31.10.21
	£	£	£
Unrestricted funds			
General fund	2,984,053	(805,237)	2,178,816
Restricted funds			
Restricted	7,150	-	7,150
	<u>2,991,203</u>	<u>(805,237)</u>	<u>2,185,966</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	3,223,678	(4,028,915)	(805,237)
	<u>3,223,678</u>	<u>(4,028,915)</u>	<u>(805,237)</u>

KASHMIR ORPHAN RELIEF TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 October 2021

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.11.19 £	Net movement in funds £	At 31.10.20 £
Unrestricted funds			
General fund	1,064,752	1,919,301	2,984,053
Restricted funds			
Restricted	-	7,150	7,150
	1,064,752	1,926,451	2,991,203
TOTAL FUNDS	1,064,752	1,926,451	2,991,203

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,619,637	(700,336)	1,919,301
Restricted funds			
Restricted	685,299	(678,149)	7,150
	3,304,936	(1,378,485)	1,926,451
TOTAL FUNDS	3,304,936	(1,378,485)	1,926,451

15. RELATED PARTY DISCLOSURES

Transactions with Trustees

Trustees' expenses	£ 2,603
Donations from Trustees'	164

KASHMIR ORPHAN RELIEF TRUST
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 October 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	2,988,236	2,981,932
Gift aid	<u>232,196</u>	<u>320,779</u>
	3,220,432	3,302,711
Investment income		
Deposit account interest	<u>3,246</u>	<u>2,225</u>
Total incoming resources	3,223,678	3,304,936
EXPENDITURE		
Raising donations and legacies		
Wages	67,300	61,392
Pensions	111	827
Rent, service charges and rates	10,340	10,171
Insurance	776	744
Telephone	1,275	951
Postage and stationery	9,184	6,554
Subscriptions	1,610	2,051
Fundraising event costs	97,436	76,964
Advertising	2,927	4,389
TV channels and radio appeal costs	77,320	36,483
Travelling and subsistence	18,073	25,197
Bank and credit card charges	18,445	21,051
Service charges	4,167	-
Depreciation of fixtures and fittings	152	190
Depreciation of motor vehicles	3,213	4,016
Depreciation of office equipment	<u>946</u>	<u>895</u>
	313,275	251,875
Charitable activities		
Grants to institutions	3,708,500	1,120,550
Support costs		
Governance costs		
Auditors' remuneration	4,800	3,900
Accountancy fees	<u>2,340</u>	<u>2,160</u>
	<u>7,140</u>	<u>6,060</u>
Total resources expended	<u>4,028,915</u>	<u>1,378,485</u>
Net (expenditure)/income	<u><u>(805,237)</u></u>	<u><u>1,926,451</u></u>

This page does not form part of the statutory financial statements