



CHARITY COMMISSION
FOR ENGLAND AND WALES

Trustees' Annual Report for the period

From 1/3/18 To 28/2/19

Charity name: Drop of Compassion

Charity registration number: 08393664

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	<p>(1) To relieve financial hardship, distress and suffering among poor people, victims of Natural and man-made disasters and other People in need, by means of, but not Exclusively, making grants or loans for providing or paying for items, equipment, services and Facilities, including the establishment of Irrigation systems, water wells, and water Sanitation systems for the benefit of the said persons;</p> <p>(2) To promote sustainable development for the benefit of the public by the Preservation, conservation and the Protection of the environment and the Prudent use of resources, and the promotion Of sustainable means of achieving economic Growth and regeneration, such that Sustainable development means development Which meets the needs of the present Without compromising the ability</p>

		<p>of future Generations to meet their own needs;</p> <p>(3) To advance education for the benefit of the poor, the underprivileged and the general public by means of, but not exclusively, the Provision or the assistance in the provision Of educational activities and facilities, such As schools, libraries and training centres, and The provision of vocational training and adult learning programmes;</p> <p>(4) To relieve sickness and to preserve good Health among the poor and people in need by Means of, but not exclusively, the provision or Assistance in the provision of services, facilities, equipment, clinics, medicines or grants for medical diagnosis and Treatment, and provision of health education</p> <p>(5) To advance islam for public benefit by means thought fit by the trustees from time to time.</p>
Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.	para 1.17 and 1.19	<p>During this financial year, we have carried out the following work.</p> <p><u>Malawi Projects</u></p> <p>Somba Health Clinic Continued funding of the Health clinic in Somba, Malawi, which sees approximately 3000 patients per month. The funding covers staff and medication to treat patients for a side range of health issues.</p> <p>Somba Maternity Clinic Initiated this year, our maternity clinic, also based in Somba provides services including: Antenatal, Labour and Post Natal. An average of 121 patients per month, and still growing, access the services offered. We are currently funding staff, medication, and the general upkeep /</p>

		<p>maintenance of the clinic and services.</p> <p>Borehole drilling We funded 5 boreholes in Malawi which would benefit approximately 10'000 people with access to clean water. (2 in Mangochi, 1 in Ntchue, 1 in Ntaje, and Blantyre district respectively)</p> <p>Waterwheels We distributed 670 waterwheels to families in various areas to enable them to transport water back to their villages safely.</p> <p>Water irrigation schemes We initiated two water irrigation schemes in the villages of Kumba Nyenyezi & Nangalamu. Combined, they will benefit over 350 families with a clean water source for irrigation farming, bathing and drinking.</p> <p>School feeding We continue to fund a school feeding programme for 450 students that encourages young children to attend school by which they would receive a meal at the end of the school day.</p> <p>Sponsor a leader programme- We sponsored ten young individuals for their further education costs</p> <p>Malawi Flood Emergency Packs We distributed 1000 emergency packs during the devastating floods that affected Malawi following the Mozambique cyclone.</p> <p>Mikundi School Block For a primary school currently teaching over 400 students, we constructed one school block as many were being taught under trees.</p> <p>Mikundi Honey Farming In Mikundi area, with the support and commitment of the village, we have been able to successfully facilitate for the community to start honey farming. They were trained in bee keeping, farming and harvesting honey. They have been fruitful with this initiative and have produced large quantities to sell as a means of income generation</p> <p>Mikundi Goat pass on project With our focus on developing Mikundi as a community hub, similar to Somba, we provided 35 goats and 2 studs</p> <p>MASIYAP food Packs (Mai Ayeshas</p>
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		<p>Sisters Youth Aids Programme) An initiative that supports women who have been affected by HIV/AIDS directly or indirectly. An empowerment program that gives women a voice, advice, guidance and an opportunity to make an income thru micro finance projects. We supported 100 women through the provision of food packs that would support them and their families for a minimum 2 months.</p> <p>Building Educational and Community Centres Mikundi and Zomba Community centres provides men, women and children an opportunity to educate, learn and train in personal, social and religious development. The two centres respectively hold approximately 200 people at a time and they both have wash facilities.</p> <p><u>Bangladesh (Rohingya refugees)</u> A year on from the Rohingya seeking refuge in the Bangladesh Cox's Bazaar refugee camps, we have been able to achieve:</p> <p>Hot Food Feeding 51 days of hot food feeding over 98,000 children and vulnerable adult</p> <p>Food Packs 545 food packs with essentials including rice, oil, salt, lentils</p> <p>Hygiene Packs 400 hygiene packs with essentials including sanitary pads, soap bars, toothbrushes.</p> <p>Winter Packs 200 winter packs with warm clothing, blankets, torch hats and gloves</p> <p>Children Gift Packs 150 Gift packs for school children, with exercise books, colours, stationery sets, pencils rucksack and some sweets.</p> <p>Solar Tube Wells We developed a pipeline spanning 1km that provided over 1000 families access to water. The solar powered deep tube well filtered the water and provided the education centre with washing and ablution facilities with added benefit of providing light and power for a microphone and speakers</p> <p>Tara Water wells</p>
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		<p>We Drilled 14 Hand pumps in and around the camps.</p> <p>Kutupalang Anti Natal Clinic We funded 1 month of Anti natal clinic services for over 1000 women</p> <p>Charcoal Distribution We distributed 900 bags of charcoal to be used for keeping warm and fuel for cooking.</p> <p>Homes In addition to providing the immediate needs of the refugees we also supported their medium to longer term needs by: Building 488 homes with strong bamboo material to house families in waterproof private spaces.</p> <p><u>West Bengal (India)</u> We supported the education and development of 340 orphan girls in the West Bengal region of Ganga Sagar. Providing meals, health care, secular and religious education. The upkeep of the facilities and staffing was also covered by our funding.</p> <p><u>Yemen</u> With the crisis in Yemen impacting masses of people, many of which are women and children, we stepped in to support in a number of areas including:</p> <p>Emergency food packs We funded 150 packs that contained raw essentials to support a family of 6 for a month.</p> <p>Water Trucks We provided over 150,000 litres of water through trucks visiting different locations to get water those who needed it most.</p> <p><u>Bogop Camp (CAR)</u> There are 14,000 refugees in the Borgop camp in a very small, over crowded area and cut-off from everywhere else.</p> <p>We provided 300 packs in the camps which consisted of rice.</p>
		<p>All trustees have been emailed the guidance provided here https://www.gov.uk/guidance/public-</p>

Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit	Para 1.18	<u>benefit-rules-for-charities</u> And all trustees have confirmed they have understood the document
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Additional information (optional)

You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	
Policy on social investment including program related investment	Para 1.38	
Contribution made by volunteers	Para 1.38	We have a small number of volunteers who assist on an ad-hoc basis mainly during the month of Ramadhan for pledge days and fundraising activities.
Other		

Achievements and Performance

	SORP reference	
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	Para 1.20	<p><u>Malawi</u> Drop of Compassion have continued to support projects in Malawi with the focus being on empowering communities through the implementation of long term sustainable solutions.</p> <p>The new water irrigation projects have been introduced in new areas thus allowing other communities to benefit with water accessibility. Our systems are principally designed to be used for farming to provide sustenance. In normal circumstances they would have to depend on constant supply of rain during the few weeks of the rainy season. However, with global warming, rain fed irrigation has become unpredictable and causing communities to face food shortages, drought and famine. Our projects have ensured a steady supply of water throughout the year and even enabled farming communities to have multiple crop harvests in the year. The wider benefit allows them to sell the surplus produce, employ seasonal labour, better balanced diets and financial independence.</p>

		<p>Following the successful impact of last years Water wheel distribution, further communities were supported this year allowing them to collect more water from clean water sources without having the burden of carrying them or dropping them. This has been highly popular during project monitoring and we aim to roll out more waterwheels this forthcoming year.</p> <p>Drop of Compassion have also continued to support the (Somba Hub) by the inception of the maternity wing which is housed adjacent to the Medical clinic. The health clinic was already popular in terms of treatment for deadly diseases such as Malaria, typhoid, Bilharzia and HIV AIDS and providing FREE services to all those who want to access services plus free prescription. The maternity wing has slowly become a key feature at the Hub, with women able to give birth in a safe clean area with pre natal and post natal care also being provided by trained and qualified staff. Those patients requiring referrals for acute conditions will be supported and taken to the nearest district referral hospital.</p> <p>The school feeding project ensures children attend school and have a healthy daily meal.</p> <p>Bee keeping and the goat projects have also empowered communities to become financially independent.</p> <p>Drop of Compassion have also continued to support high achieving students with education scholarships to go to University to enable them to empower themselves and their families through achieving a profession.</p> <p>Through the development of the Somba hub we currently have donors who have visited the site and taken the initiative by wanted to develop further areas and provide sustainable solutions for other villages. Mikundi is the second hub being developed where we found students travelling 15km to the nearest school. They new school is now minutes away, allowing them to travel safely and also be provided with a healthy meal for breakfast and lunch.</p> <p>The Community Centre has been built in Mikundi, for adult classes, and personal development where we have seen a growth in participation by women in the community who have taken key strides to make things happen in the village.</p> <p>Honey Farming and Goat pass on projects have both been a success here, the farmers</p>
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		<p>have been able to sell on surplus honey to other villages and make an income or swap honey for other produce. We have successfully seen that the number of goats in the area increase to over 100 within one year. The community have also used some of the goats as meat for food, fertilizer for the irrigation schemes that were developed last year.</p> <p><u>Rohingya</u> Drop of Compassion's support to the Rohingya refugees that fled the war in Myanmar into Bangladesh has continued. As a result of our appeals, we have provided essential relief in many forms including: a daily food kitchen, survival kits, food packs, winter kits, shelter packs, charcoal, hand pump, Tara wells, solar powered deep well, hygiene kits, homes, toilet/showers and supported a medical and eye clinic in the refugee camps. Due to the nature of the circumstances, the refugees have had to leave all their belongings behind and have become dependent on essential support. Due to the political situation, it is difficult to forecast a long term strategy so the support given has been mainly for essential items but we have also provided monsoon resistant housing to ensure the refugees have an abode that is suitable. The water wells have also helped refugees to enable to have access to clean water for their daily needs.</p> <p>West Bengal Drop of Compassion identified a need to support 340 orphan/children girls whose family couldn't provide for them. We took on the responsibility of the upkeep of these children to facilitate in their welfare, education and social development. Those children who have completed their education are then provided further training to then teach within the institute or supported in moving to further their careers or aspirations. This year we had 9 graduates. In the future we are looking to expand the building to provide better facilities for the dormitories and education facility.</p> <p>Yemen With the on going crisis in Yemen, our thinking was to support the immediate impact and provided water and food packs that would provide families relief in the short term. There is currently no long term strategy to continue to work in Yemen.</p>
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Financial Review

Review of the charity's financial position at the end of the period	Para 1.21	Overall, the charity is in a healthy position as demonstrated by our accounts for the period in concern. This is mainly due to effective cost control, which ensures our running costs are kept to an acceptable level.	
Statement explaining the policy for holding reserves stating why they are held	Para 1.22	Currently no reserves held by the charity	
Amount of reserves held	Para 1.22	NIL	
Reasons for holding zero reserves	Para 1.22	The charity raises funds and tries to use these funds to support projects as soon as possible. The funds raised are usually for a specific purpose and spent accordingly; therefore opportunities for creating reserves are minimal.	
Details of fund materially in deficit	Para 1.24	NIA	
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	Currently no concerns about the charity continuing as a going concern	

Structure, Governance and Management

Description of charity's trusts:		
Type of governing document	Para 1.25	MEMORANDUM AND ARTICLES INCORPORATED 07/02/2013
How is the charity constituted?	Para 1.25	Private Limited Company by guarantee
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	All trustees are involved in any selection process that takes place and a vote amongst the trustees is conducted to appoint any positions within the organisation.

Reference and Administrative details

Charity name	Drop of Compassion
Other name the charity uses	
Registered charity number	1151443
Charity's principal address	9 Exton Road, Leicester, LE5 4AF, England

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Sho'Ayb Mussa LAMBAT			
2	Sajid CHOPDAT			
3	Ismail Yusuf PATEL			
4	Omar Mansur ISMAIL			
5	Hanif Yusuf LAMBAT			
6	Muhammad Yusuf PATEL			
7	Irfan Harun CHHATBAR			
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Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	Muhammad Yusuf PATEL	
Position (eg Secretary, Chair, etc)	Trustee/Director	
Date	27/12/2019	

Registered number
08393664

Charity number
1151443

Drop of Compassion
(Limited by Guarantee)

Report and Accounts

28 February 2019

Redbird Accountants

Chartered Accountants & Chartered Certified Accountants
72 Evington Road
Leicester
LE2 1HH

Drop of Compassion

Registered number: 08393664

Directors' Report

The directors present their report and accounts for the year ended 28 February 2019.

Principal activities

The company's principal activity during the accounting period was to serve the needs of the deprived communities in Malawi by providing provisions for health clinics, water irrigation, tree plantation, fish farming and honey farming.

Directors

The following persons served as directors during the year:

Mohammed Abdul Chhibu (resigned on 1 February 2018)
Sajid Chopdat
Omar Mansur Ismail
Hanif Yusuf Lambat
Sho'ayb Mussa Lambat
Ismail Yusuf Patel
Muhammad Yusuf Patel
Irfan Harun Chhatbar

The company is limited by guarantee and has no share capital. In the event of the company being wound up, members are required to contribute an amount not exceeding £100 each. The directors of the company are also trustees for the purpose of charity law.

Recruitment and Appointment of Trustees

The charity company is governed by a board of trustees drawn from the local community. This is to ensure that the board has the skills and experience required to oversee the management of the charity and its operations.

Trustee Induction and Training

All new trustees receive a planned induction programme before taking up their place on the board. This includes an explanation of their roles and responsibilities, an introduction to other trustees, an overview of recent business and an explanation of board format and process.

Reserves policy

The trustees aim to ensure that sufficient funds are maintained to enable the company to carry out its activities.

Risk management

The trustees have examined the major strategic, business and operational risks which the company faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Public Benefit Statement

The trustees have considered the general guidance on public benefit issued by the Charities Commission and have taken due regard of that guidance. The trustees consider that they are satisfied that the charity's activities do provide a public benefit.

Results for the year

The charity had a surplus of £65,938 funds in the year against surplus of £69,818 in 2018. The detailed results are set out in the attached financial statements.

Drop of Compassion**Registered number: 08393664****Directors' Report****Small company provisions**

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 29 November 2019 and signed on its behalf.

Omar Mansur Ismail
Director

Ismail Yusuf Patel
Director

Sho'ayb Mussa Lambat
Director

Drop of Compassion Accountants' Report

Independent Examiner's Report to the Trustees of Drop of Compassion

I report on the accounts of Drop of Compassion for the period ended 28 February 2019, which are set out on pages 4 to 7.

Respective responsibilities of trustees and examiner

The Charity's trustees are responsible for the preparation of the accounts. The Charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under Section 145(5)(b) of the 2011 Act;
- and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act;
 - and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act, have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable proper understanding of the accounts to be reached.

Wajahat Hussain Baloch (ACA, FCCA)

Redbird Accountants

72 Evington Road
Leicester
LE2 1HH
29 November 2019

Drop of Compassion
Statement of Financial Activities
for the year ended 28 February 2019

	Notes	2019 £	2018 £
Incoming resources			
Income from charitable activities and generated funds		617,002	519,824
Resources expended			
Direct charitable expenses		(530,582)	(435,636)
		<hr/> 86,420	<hr/> 84,188
Administrative expenses		(20,482)	(14,370)
Operating (deficit) / surplus		<hr/> 65,938	<hr/> 69,818
Operating (deficit) / surplus		<hr/> 65,938	<hr/> 69,818
Other recognised gains/(losses)		-	-
Net incoming resources / (resources expended)		<hr/> 65,938	<hr/> 69,818
Reconciliation of funds:			
Total funds brought forward		180,307	110,489
Total funds carried forward		<hr/> 246,245	<hr/> 180,307

Drop of Compassion
Registered number: 08393664
Balance Sheet
as at 28 February 2019

	Notes	2019 £	2018 £
Current assets			
Cash at bank and in hand		250,272	183,107
Creditors: amounts falling due within one year	2	(4,027)	(2,800)
Net current assets		<u>246,245</u>	<u>180,307</u>
Net assets		<u><u>246,245</u></u>	<u><u>180,307</u></u>
Reserves			
Accumulated reserves	3	246,245	180,307
Net funds		<u><u>246,245</u></u>	<u><u>180,307</u></u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

Omar Mansur Ismail
Director

Ismail Yusuf Patel
Director

Sho'ayb Mussa Lambat
Director

Approved by the board on 29 November 2019

Drop of Compassion
Notes to the Accounts
for the year ended 28 February 2019

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

The accounts have also been drawn up in accordance with the Statement of Recommended Practice (SORP) - "Accounting and Reporting by Charities" issued by the Charity Commissioners in England and Wales.

Income

Income is accounted for on a receipts basis.

Resources expended

Resources expended are accounted for as the liability is incurred. Expenditure includes irrecoverable VAT which is reported as part of the expenditure to which it relates.

Stocks

Stock is valued at the lower of cost and net realisable value.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

2 Creditors: amounts falling due within one year	2019	2018
	£	£
Trade creditors	3,027	960
Other creditors	1,000	1,840
	<u>4,027</u>	<u>2,800</u>

3 Reserves	2019
	£
At 1 March 2018	180,307
Surplus for the year	65,938
	<u>246,245</u>
At 28 February 2019	<u>246,245</u>

4 Ultimate controlling party

In the opinion of the trustees, given the structure of the company, there is no ultimate controlling party.

5 Share capital

The company is limited by guarantee and has no share capital.

Drop of Compassion
Detailed profit and loss account
for the year ended 28 February 2019

	2019 £	2018 £
Income	617,002	519,824
Direct charitable expenses	(530,582)	(435,636)
	<hr/> 86,420	<hr/> 84,188
Administrative expenses	(20,482)	(14,370)
Operating (deficit) / surplus	<hr/> 65,938	<hr/> 69,818
(Deficit) / Surplus for the year	<hr/> <hr/> 65,938	<hr/> <hr/> 69,818

Drop of Compassion
Detailed profit and loss account
for the year ended 28 February 2019

	2019 £	2018 £
Income		
Donations and gift aid	<u>617,002</u>	<u>519,824</u>
Resources expended		
Direct charitable expenses	<u>530,582</u>	<u>435,636</u>
Administrative expenses		
Employee costs:		
Travel and subsistence	<u>13,469</u>	<u>11,632</u>
	<u>13,469</u>	<u>11,632</u>
General administrative expenses:		
Telephone and fax	72	72
Postage	416	300
Bank charges	128	-
Insurance	42	-
Equipment expended	146	-
Subscriptions	216	216
Software	120	120
Website	<u>437</u>	<u>530</u>
	<u>1,577</u>	<u>1,238</u>
Legal and professional costs:		
Accountancy fees	1,000	1,500
Advertising and PR	<u>4,436</u>	<u>-</u>
	<u>5,436</u>	<u>1,500</u>
	<u>20,482</u>	<u>14,370</u>



Section A

Independent Examiner's Report

Report to the trustees/
members of

Charity Name
DROP OF COMPASSION

On accounts for the year
ended

28-Feb-2019

Charity no 1151443

Set out on pages

Page 4 - 7

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended **28/02/2019**

Responsibilities and
basis of report

As the charity trustees, you are responsible for the preparation of the accounts in accordance with the Charities Act 2011 ("the Act").

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

Independent
examiner's statement

The charity's gross income has exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ACCA & ICAEW.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect,:

- the accounting records were not kept in accordance with section 130 of the Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:

Date:

29-Nov-2019

Name:

Wajahat Hussain Baloch (ACA, FCCA) on behalf of Redbird Accountants

Relevant professional
body:

Institute of Chartered Accountants in England and Wales
Association of Chartered Certified Accountants

Address:

Redbird Accountants
72 Evington Road, Leicester
LE2 1HH