

**REGISTERED CHARITY NUMBER: 1015408**

**Report of the Trustees and  
Audited Financial Statements for the Year Ended 31st December 2020  
for  
Edhi International Foundation (UK)**

**S. Syedain & Co  
Chartered Accountants & Statutory Auditors  
First Floor  
87 Kenton Road  
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Middlesex  
HA3 0AH**

**Edhi International Foundation (UK)**

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for the Year Ended 31st December 2020**

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## **Edhi International Foundation (UK)**

### **Report of the Trustees for the Year Ended 31st December 2020**

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

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The overall aim of the charity is to help people in need without any prejudice of religion, caste, creed or political boundaries and to carry out the advancement of education, the advancement of religion, the relief of poverty and the promotion and the preservation of health.

In furtherance of its objectives the charity may undertake, execute, manage or assist any charitable trusts which may lawfully be undertaken, executed, managed or assisted by the charity. As a result the charity has assisted in furthering the objectives of its connected Edhi charities in Pakistan where it has a few common trustees. The charities in Pakistan were set up by the late Abdul Sattar Edhi to provide food, shelter, medical care, to procure ambulance services on a voluntary basis to the needy, which fulfils the charity's objectives as well. The charitable activities have been mainly in Pakistan but the connected charities in Pakistan have assisted in humanitarian work in other parts of the world in the past as well.

Furthermore, in furtherance of its objects the charity is permitted to invest donations received that are not immediately required for charitable purposes as investments, securities or property as required.

The Edhi charities in Pakistan are namely Abdul Sattar Edhi Foundation Pakistan, Bilquis Edhi Foundation Pakistan, and Edhi Welfare Centre Pakistan. Donors from UK are aware that the donations they are making will be used by the main charities in Pakistan to help achieve their objectives.

Some of the donations collected by Edhi International Foundation UK are disseminated to the related charities in Pakistan, mainly to Abdul Sattar Edhi Foundation in Pakistan over the last few years, where the funds had been used for charitable activities in line with Edhi Pakistan charities' constitutions and its own constitution. However not all the funds that had been collected during the year were used for immediate charitable activities and were instead deposited in UK bank accounts, as an emergency fund, to be used for future emergency or disaster relief where vast sums are immediately required in the relief process. The sums have been accumulating to date as there have not been any national disasters in the last five years in Pakistan where large sums have been required.

## **Edhi International Foundation (UK)**

### **Report of the Trustees for the Year Ended 31st December 2020**

#### **OBJECTIVES AND ACTIVITIES**

##### **Significant activities**

The principal activity of Edhi International Foundation UK during the year under review continues to be to obtain donations from UK donors either to be used to assist charitable activities in the UK or to purchase equipment, ambulances and so forth to assist the main Edhi charities in Pakistan to carry out their various charitable activities. These include to relieve poverty, suffering, deprivation and distress throughout the world and to promote the preservation of health. The charity also collects donations from UK donors to assist them in fulfilling their religious obligation of slaughtering animals during religious events. This money is sent to Pakistan and the animals are slaughtered there.

During the year, the charity raised almost all of its money from public donations, which was encouraged by way of advertisement, and by dispatching leaflets and brochures by post to current and prospective donors. The advertising policy, programme for future activity, the investment policy and disbursement of funds are controlled and decided by the Trustees. They also maintain an internal control for collection of funds and safeguard against any risk involved in charitable activities.

##### **Public benefit**

In shaping the objectives for the year and planning the charity's activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. It is the trustees' opinion that the operation of the charity in its present form is for the public benefit under the principles set out in the Charity Commission guidance.

## **Edhi International Foundation (UK)**

### **Report of the Trustees for the Year Ended 31st December 2020**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable Donations**

During the year under review Edhi International Foundation UK spent £1,644,718 for charitable activities. This represented £371,611 in relation to 2020 Qurbani (sacrifice of animals for religious purposes) on behalf of UK donors, £1,000,000 was donated to NHS Charities, £251,610 was paid in Italian government relief fund for Covid 19 and £21,497 was used to purchase medical and other equipment to be used in Pakistan during the year.

#### **REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENT**

During the year under review, the charity had assisted the Edhi connected charities in Pakistan in continuing the objectives of helping the poor and needy primarily throughout Pakistan.

The charity provides, as part of its charitable services, Qurbani service which is an animal sacrifice on behalf of Muslims as part of their religious obligations. The monies collected in the UK are used to purchase the animals in Pakistan in order to perform the religious ritual on behalf of the UK donors. During the year the charity had purchased and slaughtered 2,178 goats and 278 cows on behalf of UK donors. As part of the religious ritual part of the meat is distributed to the poor and as a result the meat from the animals had been used by 18 Edhi charitable homes throughout Pakistan, and also distributed to many patients of governmental hospitals, prisons and other needy people in Pakistan. The skin/leather of sacrificed animals was sold, and monies collected were utilised for further Edhi charitable activities.

The charity also assists yearly in the purchase of medical equipment, such as oxygen cylinders and ambulance stretchers, to be used in Pakistan for the Abdul Sattar Edhi Foundation.

During the year the main branch in UK based on Romford Road, also sold second hand clothes and other items that were donated to them. This activity only represented a very small amount of the overall donations collected during the year especially due to Covid-19 restrictions by the UK government that led to the shop being closed for nearly seven months of the year. A council grant was able to cover the basis utilities for the charity shop during this period.

The charity donated a sum of money to the Italian government during the Covid crisis as well as to a UK charity called NHS Charities Together to financially support the NHS.

## Edhi International Foundation (UK)

### Report of the Trustees for the Year Ended 31st December 2020

#### FINANCIAL REVIEW

##### Financial position and Results

During the year total donations received amounted to £6,932,991 which was up by approximately 30% from the previous year. This was possibly as a result of Covid where more people donated generously to help the needy. It is difficult to predict the level of donations that will be received each year even though Muslims are the main donors for the charity and charitable donations is always high amongst Muslims due to religious requirements. However due to the level of competition from other similar charities that are also targeting the same donors and the uncertainty of Brexit, donors are being cautious in the level of donations that are being made in addition to the high level of costs of living reducing the level of disposal income available to be donated to the charity. In addition the charity realised that in order to increase its donations it would need to increase its expenditure on advertising which it had not done so this year and have seen the effect on the level of donations received as compared to previous years.

During the year the total income was as follows:-

	£
1. General Donations	6,561,380
2. Qurbani Collections	371,611
3. Other Income (Council Grant)	27,000
4. Revaluation of Investment properties	90,000
5. Investments Income	478,431
	<hr/>
Total Income	<u>7,528,422</u>

Disbursements were as follows:-

	£
1. Qurbani Performed in Pakistan	371,611
2. Purchase of equipment sent to Pakistan for charitable purposes	21,497
3. Presidenza Del Consigl Donation for Covid 19	251,610
4. Donated to NHS Charities	1,000,000
5. Charitable Costs	326,858
6. Governance Costs	242,634
7. Other Costs	11,611
8. Transferred to the unrestricted reserve fund	5,302,601
	<hr/>
Total Disbursements	<u>7,528,422</u>

## **Edhi International Foundation (UK)**

### **Report of the Trustees for the Year Ended 31st December 2020**

#### **FINANCIAL REVIEW**

##### **Reserves policy**

Edhi International Foundation UK's operational costs in the current year were approximately 8% of its total income and donations. As part of the risk management strategy, the trustees need to have sufficient unrestricted reserves to ensure stability in the event of reduced income or an emergency response. The trustees intend to maintain enough free reserves in unrestricted funds at a level that equates to approximately one year of unrestricted charitable core expenditure.

The Charity holds unrestricted funds as reserve. The purpose of the Reserve Fund for Edhi International Foundation UK is to help ensure the long-term ability of the organisation to meet its mission. The Edhi International Foundation UK will maintain the reserve to achieve the following objectives:

- a) To manage cash flow and maintain financial flexibility
- b) To enable the organization to sustain operations through delays in payments of committed funding
- c) To enable the organisation act swiftly in case of any disaster or emergency worldwide for Humanitarian Relief.
- d) To fund the near future projects.

The Reserve Fund is not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. The Reserve Fund is defined as funds set aside by action of the Trustees. The Funds have been reserved in the following categories:

##### **A. Operations Reserve Funds for Pakistan:**

The amounts reserved are enough to maintain ongoing operations and programs for next two years. The Reserve serves a dynamic role and will be reviewed and adjusted in response to internal and external changes.

The Reserve Fund is £12 Million, representing 2 years (or 24 Months) of operating expenses on average. The calculation of average yearly operating expenses includes all recurring, predictable expenses and other non-cash expenses are not included in the calculation.

##### **B. Operations Reserve Funds for UK:**

The amount reserved as enough to maintain ongoing operations and programs for next three years. The Reserve will be reviewed and adjusted in response to internal and external changes.

The Reserve Fund is £1.8 Million, representing years of operating expenses on average. The calculation of average yearly operating expenses includes all recurring, predictable expenses and other non-cash expenses are not included in the calculation

## **Edhi International Foundation (UK)**

### **Report of the Trustees for the Year Ended 31st December 2020**

#### **FINANCIAL REVIEW**

##### **C. Disaster & Emergencies Reserve Funds:**

An amount of £14 Million has been reserved as Disasters and Emergency Reserves Fund. This amount is reserved to be used for help and operations in any case of Disaster and Emergency worldwide for Humanitarian Relief in accordance with the mission of Edhi International Foundation UK. These funds will always be allocated under the due diligence policy.

##### **D. Project Designated Funds:**

The Edhi International Foundation UK has designated a certain amount for its future operational projects. The amount is enough to fund the charity projects and shall be used within next two to five years. The funds have been designated as follows:

###### **1. Patient Aid Devices Project:**

The Edhi International Foundation UK plans to start a "Patient Aid Devices" Project in the UK. The project shall provide Free Patient aid devices to the deserving patients in the UK. An amount of £1 million has been designated for the project.

###### **2. VSD Operation Project Pakistan:**

Thousands of children die in Pakistan due to "Ventricular Septal Defect (VSD)". The poor cannot afford the cost of life saving operations and children lose lives. The Edhi International Foundation UK aims to fund 2000 operations of such children, through its affiliated organisations in Pakistan, in next 3 years. An amount of £2 million has been designated for this project.

###### **3. Air Ambulance Fund:**

The Edhi International Foundation UK's Pakistan affiliated organisations not only have a largest road ambulance service in Pakistan, but it also has air ambulance service as well.

The Edhi International Foundation UK aims to help Pakistan affiliated organisations to update the Air Ambulance Fleet in next 2-5 years which includes overhauling of current aeroplanes and buying more planes with advance air ambulance technologies. An amount of £2 Million has been designated for this fund.

###### **4. Open Kitchen (Edhi Free Langer) Project UK**

The Edhi International Foundation UK will be starting Free Open Kitchen in London from 2021, the planning for which had commenced in 2019. The Kitchen shall run at different points in London and provide free food to the needy. We have estimated that the approximate costs of running this project would be £500K per year. We shall reserve 3 years and have reserved £1.5 Million.

## **Edhi International Foundation (UK)**

### **Report of the Trustees for the Year Ended 31st December 2020**

#### **FUTURE PLANS**

There are increasing demands for humanitarian operations in Pakistan and worldwide especially due to the Covid-19 crisis. The trustees are committed to continue raising money and to increase funds collected in the UK by providing information about the wide range of Abdul Sattar Edhi Foundation's involvement in Pakistan, to general public and communities in the UK. The trustees are considering other ways they can provide assistance to the poor and needy in the UK as they have realised that there are many people in the UK that would benefit from their assistance. Their aim would be to enhance the name of the charity further in the UK.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

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

##### **Charity constitution**

Edhi International Foundation UK is governed by its constitution, which was set up on 17 November 1992, and a supplementary deed dated October 2010. The trustees are in the process of updating their constitution and are hoping that this would be finalised soon.

##### **Appointment of Trustees**

The trustees are responsible for the administration and investment policy of the charity. Trustees are appointed and removed by the Board of Trustees. Induction training is given to the trustees on appointment and the guidelines provided by the Charity Commission as per The Essential Trustee publication are followed. New trustees would also receive training from an existing trustee about the charity and their responsibilities as a trustee and would receive a copy of the Charity Commission's guide for new trustees and the constitution of the Charity. On-going training is provided as required.

##### **Organisational structure**

In order for effective day to day running of the charity the board of trustees set up an executive committee which consists of the following trustees:

- Mrs Bilquis Edhi
- Mr Faisal Edhi
- Ms Kubra Edhi
- Mrs Feroza Aka
- Ms Maliha Khan
- Mr Yousuf Abraham

They have been given the powers of execution by the board of trustees and can enter into legal obligations, which will bind the charity. The power of appointing a new trustee of the charity is vested with the Board of Trustees.

## **Edhi International Foundation (UK)**

### **Report of the Trustees for the Year Ended 31st December 2020**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Risk management**

The Trustees have a duty to identify and review risks, which the charity is exposed to and to ensure that appropriate internal controls are in place to provide reasonable safeguard against fraud and human errors. The principal risks and uncertainties faced by the charity are as follows:

- i) Increase in competition where a growing number of charities are seeking funds from the same donors.
- ii) Safeguarding assets against unauthorised use.
- iii) Compliance requirements with relevant laws and regulations.
- iv) Reputational risk where any bad publicity worldwide could have a detrimental impact on the level of future donations.

The trustees have taken the following measures to mitigate some of these risks:

The trustees liaise with the office manager, to supervise staff and daily procedures in the London office and to ensure that the charity is being run efficiently with effective safeguards, policies and controls in place to mitigate these risks. The trustees are in constant contact with the London office manager and supervise the progress and activities of the charity. The trustees make periodic visits to the London office to monitor all activities.

The trustees have engaged professional advisors to advise in complying with related laws and regulations.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

1015408

##### **Principal address**

803 Romford Road  
London  
E12 5AN

##### **Trustees**

Mrs B Edhi Chairperson  
Mr F Edhi  
Ms K Edhi  
Mrs F Aka  
Mr Y Abraham  
Ms M Khan

## **Edhi International Foundation (UK)**

### **Report of the Trustees for the Year Ended 31st December 2020**

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Auditors**

S. Syedain & Co  
Chartered Accountants & Statutory Auditors  
First Floor  
87 Kenton Road  
Harrow  
Middlesex  
HA3 0AH

##### **Bankers**

Lloyds Bank Plc  
2 Silver Street  
Enfield  
EN1 3EN

#### **LEGAL STATUS**

Edhi International Foundation (UK) was registered as a Charity with The Charity Commissioners for England and Wales on 26th November 1992 (Charity Registration No. 1015408)

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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.

**Edhi International Foundation (UK)**

**Report of the Trustees  
for the Year Ended 31st December 2020**

Approved by order of the board of trustees on .....30.11.21..... and signed on its behalf by:

+ 

.....  
Mr F Edhi - Trustee



## **Report of the Independent Auditors to the Trustees of Edhi International Foundation (UK)**

### **Opinion**

We have audited the financial statements of Edhi International Foundation (UK) (the 'charity') for the year ended 31st December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2020 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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.

**Report of the Independent Auditors to the Trustees of  
Edhi International Foundation (UK)**

**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.

**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.

## **Report of the Independent Auditors to the Trustees of Edhi International Foundation (UK)**

### **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 enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:

- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- We inspected the minutes of meetings of those charged with governance.

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

- We reviewed processes for in place for monitoring and accounting for funds provided to partner organisations outside the UK.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of noncompliance throughout the audit.

- We reviewed any reports made to regulators.

- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.

- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

**Report of the Independent Auditors to the Trustees of  
Edhi International Foundation (UK)**

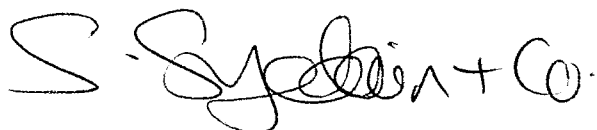
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the 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.



S. Syedain & Co  
Chartered Accountants & Statutory Auditors  
First Floor  
87 Kenton Road  
Harrow  
Middlesex  
HA3 0AH

Date: 31/12/2021

**Edhi International Foundation (UK)**

**Statement of Financial Activities  
for the Year Ended 31st December 2020**

	Notes	Unrestricted fund £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	6,561,380	371,611	6,932,991	5,352,174
Investment income	3	478,431	-	478,431	127,259
Other income		27,000	-	27,000	-
<b>Total</b>		<u>7,066,811</u>	<u>371,611</u>	<u>7,438,422</u>	<u>5,479,433</u>
 <b>EXPENDITURE ON</b>					
Raising funds	4	80,866	-	80,866	75,349
<b>Charitable activities</b>	5				
Costs for generating charitable income		206,721	-	206,721	257,396
Charitable Donations		1,273,107	371,611	1,644,718	587,250
Other	8	293,516	-	293,516	273,316
<b>Total</b>		<u>1,854,210</u>	<u>371,611</u>	<u>2,225,821</u>	<u>1,193,311</u>
Net gains on investments		90,000	-	90,000	-
<b>NET INCOME</b>		<u>5,302,601</u>	<u>-</u>	<u>5,302,601</u>	<u>4,286,122</u>
 <b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		38,296,904	-	38,296,904	34,010,782
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>43,599,505</u></u>	<u><u>-</u></u>	<u><u>43,599,505</u></u>	<u><u>38,296,904</u></u>

The notes form part of these financial statements

**Edhi International Foundation (UK)**

**Statement of Financial Position  
31st December 2020**

	Notes	Unrestricted fund £	Restricted fund £	31.12.20 Total funds £	31.12.19 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	12	378,668	-	378,668	389,534
<b>Investments</b>					
Investments	13	1,525,685	-	1,525,685	-
Investment property	14	2,160,000	-	2,160,000	2,070,000
		<u>4,064,353</u>	<u>-</u>	<u>4,064,353</u>	<u>2,459,534</u>
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due within one year	15	37,426	-	37,426	41,908
Debtors: amounts falling due after more than one year	15	5,717	-	5,717	7,117
Investments	16	39,250,192	-	39,250,192	35,098,798
Prepayments and accrued income		9,109	-	9,109	12,309
Cash at bank and in hand		275,584	371,611	647,195	712,726
		<u>39,578,028</u>	<u>371,611</u>	<u>39,949,639</u>	<u>35,872,858</u>
<b>CREDITORS</b>					
Amounts falling due within one year	17	(22,811)	(371,611)	(394,422)	(23,022)
<b>NET CURRENT ASSETS</b>		<u>39,555,217</u>	<u>-</u>	<u>39,555,217</u>	<u>35,849,836</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		43,619,570	-	43,619,570	38,309,370
<b>ACCRUALS AND DEFERRED INCOME</b>	18	(20,065)	-	(20,065)	(12,466)
<b>NET ASSETS</b>		<u><u>43,599,505</u></u>	<u><u>-</u></u>	<u><u>43,599,505</u></u>	<u><u>38,296,904</u></u>


The notes form part of these financial statements


Edhi International Foundation (UK)

Statement of Financial Position - continued  
31st December 2020

<b>FUNDS</b>	19		
Unrestricted funds		43,599,505	38,296,904
<b>TOTAL FUNDS</b>		<u>43,599,505</u>	<u>38,296,904</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30/12/21 and were signed on its behalf by:

  
.....  
Mr F Edhi - Trustee



The notes form part of these financial statements

**Edhi International Foundation (UK)**

**Statement of Cash Flows  
for the Year Ended 31st December 2020**

	Notes	31.12.20 £	31.12.19 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	5,209,317	3,824,025
Net cash provided by operating activities		<u>5,209,317</u>	<u>3,824,025</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(10,597)
Purchase of fixed asset investments		(1,525,685)	-
Sale of fixed asset investments		-	6,632,054
Short term Investment		(4,151,394)	(10,438,055)
Interest received		402,231	51,059
Net cash used in investing activities		<u>(5,274,848)</u>	<u>(3,765,539)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
		(65,531)	58,486
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		<u>712,726</u>	<u>654,240</u>
<b>Cash and cash equivalents at the end of the reporting period</b>			
		<u><u>647,195</u></u>	<u><u>712,726</u></u>

The notes form part of these financial statements

**Edhi International Foundation (UK)**

**Notes to the Statement of Cash Flows  
for the Year Ended 31st December 2020**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.20	31.12.19
	£	£
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	5,302,601	4,286,122
<b>Adjustments for:</b>		
Depreciation charges	10,866	11,611
Losses on investments	(90,000)	-
Interest received	(402,231)	(51,059)
Decrease/(increase) in debtors	9,082	(19,794)
Increase/(decrease) in creditors	378,999	(402,855)
<b>Net cash provided by operations</b>	<u>5,209,317</u>	<u>3,824,025</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	712,726	(65,531)	647,195
	<u>712,726</u>	<u>(65,531)</u>	<u>647,195</u>
<b>Liquid resources</b>			
Deposits included in cash	-	-	-
Current asset investments	35,098,798	4,151,394	39,250,192
	<u>35,098,798</u>	<u>4,151,394</u>	<u>39,250,192</u>
<b>Total</b>	<u>35,811,524</u>	<u>4,085,863</u>	<u>39,897,387</u>

The notes form part of these financial statements

## Edhi International Foundation (UK)

### Notes to the Financial Statements for the Year Ended 31st December 2020

#### 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, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The Trustees have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in Statement of Trustees Responsibilities on page 8.

##### **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.

Investments comprise of rental income on investment properties which are recognised when receivable.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank.

##### **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.

The charity has only a few relevant activity categories on which resources are expended and as such the costs between the different categories are easily allocated without the use of any method of apportionment.

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.

##### **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
Office Furniture and Equipment	15% on reducing balance
Motor Vehicles	25% on reducing balance

**Edhi International Foundation (UK)**

**Notes to the Financial Statements - continued  
for the Year Ended 31st December 2020**

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Gains and losses on fixed asset disposed of are included in Other Expenditure in the Statement of Financial Activities.

**Investment property**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised as part of the net income/(loss) for the year.

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

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.

**Cash at bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investment with a short term maturity of less than one year for the date of acquisition or opening of the deposit or similar account.

**Fixed Asset Investment**

Fixed asset investments include cash held in fixed deposit accounts with a maturity of more than one year from the date of acquisition. The carrying amount of the financial assets are measured at amortised cost.

**Edhi International Foundation (UK)**

**Notes to the Financial Statements - continued  
for the Year Ended 31st December 2020**

**2. DONATIONS AND LEGACIES**

	31.12.20	31.12.19
	£	£
Donations	6,768,893	5,148,907
Gift aid	164,098	203,267
	<u>6,932,991</u>	<u>5,352,174</u>

Included within the donations total an amount of £371,611 (2019: £366,882) in relation to Qurbani which is classified as restricted income.

**3. INVESTMENT INCOME**

	31.12.20	31.12.19
	£	£
Rental Income	76,200	76,200
Deposit account interest	402,231	51,059
	<u>478,431</u>	<u>127,259</u>

**4. RAISING FUNDS**

**Raising donations and legacies**

	31.12.20	31.12.19
	£	£
Publication costs	59,682	55,822
Advertisement	21,184	19,527
	<u>80,866</u>	<u>75,349</u>

**Edhi International Foundation (UK)**

**Notes to the Financial Statements - continued  
for the Year Ended 31st December 2020**

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Costs for generating charitable income	178,431	-	28,290	206,721
Charitable Donations	-	1,644,718	-	1,644,718
	<u>178,431</u>	<u>1,644,718</u>	<u>28,290</u>	<u>1,851,439</u>

**6. GRANTS PAYABLE**

	31.12.20 £	31.12.19 £
Charitable Donations	<u>1,644,718</u>	<u>587,250</u>

This amount includes the following payments:

Qurbani performed in Pakistan on behalf of UK donors for 2020	371,611
Purchase of various equipments to be used in Pakistan	21,497
Presidenza Del Consigli Donation for Covid19	251,610
Donated to NHS Charities Together	1,000,000
	<u>1,644,718</u>

**Edhi International Foundation (UK)**

**Notes to the Financial Statements - continued  
for the Year Ended 31st December 2020**

**7. SUPPORT COSTS**

	Finance	Governance	
	£	costs	Totals
	£	£	£
Other resources expended	40,016	242,634	282,650
Costs for generating charitable income	-	28,290	28,290
	<u>40,016</u>	<u>270,924</u>	<u>310,940</u>

**8. OTHER**

	31.12.20	31.12.19
	£	£
Depreciation	10,866	11,611
Support costs	282,650	261,705
	<u>293,516</u>	<u>273,316</u>

**9. AUDITORS' REMUNERATION**

	31.12.20	31.12.19
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	9,600	9,000
Other non-audit services	19,392	18,432
Total fees payable	<u>28,992</u>	<u>27,432</u>

**Edhi International Foundation (UK)**

**Notes to the Financial Statements - continued  
for the Year Ended 31st December 2020**

**10. TRUSTEES' REMUNERATION AND BENEFITS**

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

**Trustees' expenses**

	31.12.20	31.12.19
	£	£
Trustees' expenses	-	4,491

Trustees Expenses last year relate to travelling with in the UK for Mr. Faisal Edhi as part of his role and in fulfilling his duties as a trustee i.e meetings with charites commission and legal advisers..

**11. STAFF COSTS**

	31.12.20	31.12.19
	£	£
Wages and salaries	133,154	168,484
Social security costs	6,335	9,435
Other pension costs	524	1,232
	<u>140,013</u>	<u>179,151</u>

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

	31.12.20	31.12.19
Average Monthly Employees	10	12

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

**Edhi International Foundation (UK)**

**Notes to the Financial Statements - continued  
for the Year Ended 31st December 2020**

**12. TANGIBLE FIXED ASSETS**

	Freehold property £	Office Furniture & Equipment £	Motor Vehicles £	Totals £
<b>COST</b>				
At 1st January 2020 and 31st December 2020	420,509	56,104	10,597	487,210
<b>DEPRECIATION</b>				
At 1st January 2020	42,052	52,975	2,649	97,676
Charge for year	8,410	469	1,987	10,866
At 31st December 2020	50,462	53,444	4,636	108,542
<b>NET BOOK VALUE</b>				
At 31st December 2020	370,047	2,660	5,961	378,668
At 31st December 2019	378,457	3,129	7,948	389,534

**13. FIXED ASSET INVESTMENTS**

	31.12.20 £	31.12.19 £
Long term Investment	1,525,685	-

There were no investment assets outside the UK.

Investments (neither listed nor unlisted) were as follows:

	31.12.20 £	31.12.19 £
Long term deposit	1,525,685	-

**Edhi International Foundation (UK)**

**Notes to the Financial Statements - continued  
for the Year Ended 31st December 2020**

**14. INVESTMENT PROPERTY**

	£
<b>FAIR VALUE</b>	
At 1st January 2020	2,070,000
Revaluation	<u>90,000</u>
At 31st December 2020	<u>2,160,000</u>
<b>NET BOOK VALUE</b>	
At 31st December 2020	<u>2,160,000</u>
At 31st December 2019	<u>2,070,000</u>

Edhi International Foundation (UK) holds four investment properties in London. The Investment properties were valued on an open market basis by Drakefields Estates Limited who have experience in valuing properties in the local areas. The trustees consider that the carrying value of the investment properties are a material approximation to the current market value.

**15. DEBTORS**

	31.12.20	31.12.19
	£	£
Amounts falling due within one year:		
Other debtors	36,026	40,508
Lease incentive	<u>1,400</u>	<u>1,400</u>
	<u>37,426</u>	<u>41,908</u>
Amounts falling due after more than one year:		
Lease incentive	<u>5,717</u>	<u>7,117</u>
Aggregate amounts	<u>43,143</u>	<u>49,025</u>

Within the debtors balance is a lease incentive for one of the properties that was leased out. A rent free period was given to the lessee and the amount above represents the lease incentive where the lease incentive is spread over the period of the lease.

**Edhi International Foundation (UK)**

**Notes to the Financial Statements - continued  
for the Year Ended 31st December 2020**

**16. CURRENT ASSET INVESTMENTS**

	31.12.20	31.12.19
	£	£
Short Term Investment	39,250,192	35,098,798
	<u>39,250,192</u>	<u>35,098,798</u>

This represents cash from donations which are held for short term basis only and can be easily withdrawn if required. The donations are kept in UK banks so that they can be readily available for immediate use in times of national disaster where large funds would be required immediately.

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.20	31.12.19
	£	£
Social security and other taxes	2,089	2,218
Other creditors	391,183	19,654
Tenant's deposit	1,150	1,150
	<u>394,422</u>	<u>23,022</u>

Within Other Creditors is a balance of £371,611 which relates to the Qurbani collections from UK donors that was performed in Pakistan and is still payable at year end..

**18. ACCRUALS AND DEFERRED INCOME**

	31.12.20	31.12.19
	£	£
Accruals and deferred income	20,065	12,466
	<u>20,065</u>	<u>12,466</u>

**19. MOVEMENT IN FUNDS**

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
<b>Unrestricted funds</b>			
General fund	38,296,904	5,302,601	43,599,505
	<u>38,296,904</u>	<u>5,302,601</u>	<u>43,599,505</u>
<b>TOTAL FUNDS</b>	<u>38,296,904</u>	<u>5,302,601</u>	<u>43,599,505</u>

**Edhi International Foundation (UK)**

**Notes to the Financial Statements - continued  
for the Year Ended 31st December 2020**

**19. 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 £
<b>Unrestricted funds</b>				
General fund	7,066,811	(1,854,210)	90,000	5,302,601
<b>Restricted funds</b>				
Qurbani	371,611	(371,611)	-	-
<b>TOTAL FUNDS</b>	<u>7,438,422</u>	<u>(2,225,821)</u>	<u>90,000</u>	<u>5,302,601</u>

**Comparatives for movement in funds**

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
<b>Unrestricted funds</b>			
General fund	34,010,782	4,286,122	38,296,904
<b>TOTAL FUNDS</b>	<u>34,010,782</u>	<u>4,286,122</u>	<u>38,296,904</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	5,112,551	(826,429)	4,286,122
<b>Restricted funds</b>			
Qurbani	366,882	(366,882)	-
<b>TOTAL FUNDS</b>	<u>5,479,433</u>	<u>(1,193,311)</u>	<u>4,286,122</u>

**Edhi International Foundation (UK)**

**Notes to the Financial Statements - continued  
for the Year Ended 31st December 2020**

**19. MOVEMENT IN FUNDS - continued**

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

	At 1.1.19 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	34,010,782	9,588,723	43,599,505
<b>TOTAL FUNDS</b>	<u>34,010,782</u>	<u>9,588,723</u>	<u>43,599,505</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 £
<b>Unrestricted funds</b>				
General fund	12,179,362	(2,680,639)	90,000	9,588,723
<b>Restricted funds</b>				
Qurbani	738,493	(738,493)	-	-
<b>TOTAL FUNDS</b>	<u>12,917,855</u>	<u>(3,419,132)</u>	<u>90,000</u>	<u>9,588,723</u>

**20. RELATED PARTY DISCLOSURES**

The following related party transactions that occurred during the year are as below:

a) A sum of £371,611 (2019:£366,882) is payable to Abdul Sattar Edhi Foundation Pakistan for Qurbani performed on behalf of donors in UK. This amount is shown as restricted income and expense. An amount of £21,497 was paid for the purchases of various equipments to be used for charitable activities by Abdul Sattar Edhi Foundation in Pakistan. The trustees of Edhi International Foundation (UK) are also Trustees of Abdul Sattar Edhi Foundation Pakistan.

**Edhi International Foundation (UK)**

**Detailed Statement of Financial Activities  
for the Year Ended 31st December 2020**

	31.12.20	31.12.19
	£	£
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	6,768,893	5,148,907
Gift aid	164,098	203,267
	<hr/>	<hr/>
	6,932,991	5,352,174
<b>Investment income</b>		
Rental Income	76,200	76,200
Deposit account interest	402,231	51,059
	<hr/>	<hr/>
	478,431	127,259
<b>Other income</b>		
Council Grant	27,000	-
	<hr/>	<hr/>
<b>Total incoming resources</b>	7,438,422	5,479,433
<b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Publication costs	59,682	55,822
Advertisement	21,184	19,527
	<hr/>	<hr/>
	80,866	75,349
<b>Charitable activities</b>		
Wages	133,154	168,484
Social security	6,335	9,435
Pensions	524	1,232
Rent and Rates	15,057	15,116
Insurance	8,653	6,864
Light and heat	6,188	4,111
Telephone	2,640	3,997
Repairs And Renewals	2,453	2,539
Other Expenses	3,427	1,875
Carried forward	178,431	213,653

This page does not form part of the statutory financial statements

**Edhi International Foundation (UK)**

**Detailed Statement of Financial Activities  
for the Year Ended 31st December 2020**

	31.12.20	31.12.19
	£	£
<b>Charitable activities</b>		
Brought forward	178,431	213,653
Charitable Donations	1,644,718	587,250
	<hr/>	<hr/>
	1,823,149	800,903
 <b>Other</b>		
Freehold property	8,410	8,410
Fixtures and fittings	469	552
Motor Vehicles	1,987	2,649
	<hr/>	<hr/>
	10,866	11,611
 <b>Support costs</b>		
<b>Management</b>		
Trustees' expenses	-	4,491
<b>Finance</b>		
Bank & Credit Card Charges	40,016	32,543
 <b>Governance costs</b>		
Auditors' remuneration	9,600	9,000
Auditors' remuneration for non audit work	19,392	18,432
Legal Fees	24,004	16,752
Professional Services	4,286	22,500
Exchange Gain / Loss	213,642	201,730
	<hr/>	<hr/>
	270,924	268,414
 Total resources expended	<hr/>	<hr/>
	2,225,821	1,193,311
 <b>Net income before gains and losses</b>	<hr/>	<hr/>
	5,212,601	4,286,122
 <b>Realised recognised gains and losses</b>		
Realised gains/(losses) on investment property	90,000	-
	<hr/>	<hr/>
<b>Net income</b>	<hr/>	<hr/>
	5,302,601	4,286,122
	<hr/>	<hr/>

This page does not form part of the statutory financial statements