

ANNUAL REPORT
& FINANCIAL STATEMENTS

2018

Reference & Administrative Details of READ UK, Its Directors & Advisers

Registered name of the charity:
READ Foundation

Registered Charity Number:
1160256

628 Stockport Road
Manchester
M13 0SH
United Kingdom
Tel: 0161 224 3334
Email: info@readfoundation.org.uk

Registered Company Number:
09195667

Directors of READ UK at the date
this report is submitted:

Tahir Begg
Mohammed Farooq
Haroon Rashid
Dr. Yaqub Hussain
Dr Usman Choudry
Rizwan Rashid

Independent Auditors:
Gardezi Jay & Company
Chartered Accountants and Statutory Auditors.
4A The Avenue
Highams Park
London
Essex
E4 9LD

Bankers:
National Westminster Bank PLC
Dewsbury Branch
2 Northgate
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WF13 1EA

Chief Executive Officer (CEO):
Jahangeer Akhtar

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READ is an acronym for "Rural Education And Development".



386
The number of
schools that we
run.



107,760
The number of
children we are
educating.



9,960
The number of
orphans we look
after.



5,635
The number of
teachers we are
employing.

About Us

We are READ Foundation - a non-profit organisation dedicated to providing school places for children living in poverty. These children do not have access to schooling due to the cost and accessibility.

We focus predominantly on education. We sponsor orphans and build and renovate schools through which we create as many places as we can for children in poverty, empowering them to learn and gain the skills they need to help themselves out of poverty.

Why Education?

Education is important, it is the foundation that every child deserves. Since our inception in 1994 we have worked to create new opportunities for low-income families to send their children to school.

Education works as a gateway out of poverty. It is incredibly transformative as it empowers children with the skills they need to make the right choices. We have been a witness to this for more than 20 years as our work has helped build brighter futures for children coming from the most humble of backgrounds.



386

The number of schools that we run.



107,760

The number of children we are educating.



9,960

The number of orphans we look after.



5,635

The number of teachers we are employing.

What do we do?

We have made incredible progress since 1994 thanks to the generosity of our donors who have supported our every step on this journey to provide school places to children affected by poverty.

We are educating 107,760 children including 9,960 orphans across our network of 386 schools.

We are also employing 5,635 teachers, 71% of whom are female.

Statement on Public Benefit

The Directors confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission when exercising their powers and duties.

Report of the Directors for the year ending March 2018

The Directors of READ Foundation UK ('READ UK') a charity registered in England (no 1160256) submit their annual report and the audited financial statements for the financial year from 1 April 2017 – 31 March 2018. The Directors have adopted the provisions of the statement of recommended practice ('SORP') 'Accounting and Reporting by Charities' (2015) in preparing this annual report and financial statement for READ UK.

Structure, Governance & Management for READ UK

READ UK IS A REGISTERED CHARITY IN THE UK AND A COMPANY LIMITED BY GUARANTEE. THEY ARE GOVERNED BY A BOARD OF 6 DIRECTORS.

Whilst READ UK is an independent UK charity and by the terms of the Governing Document retains the flexibility to achieve its aims by expending funds through a variety of organisations in its area of operation, READ UK was established to provide the beneficiaries of READ Foundation Pakistan ('READ Pakistan'), who are accordingly also the beneficiaries of READ UK. A close association which includes shared aims and vision continue to be the hallmark of the relationship between READ UK and READ Pakistan. READ Pakistan is an indigenous non-governmental organisation ('NGO') set up in 1994. It currently operates 386 schools, with 107,760 enrolled students, 9,960 of whom are orphans. It has a teaching staff of around 5,635.

READ Pakistan has a close working relationship with a number of local and international NGOs, development agencies and the corporate sector as well as an ever-growing base of individual local supporters.

READ Pakistan is registered with the Securities and Exchange Commission of Pakistan as a not-for-profit organisation under section 42 of the Companies Ordinance 1984 (No 00000005855/20060801). READ Pakistan is amongst the top-rated NGOs certified by the Pakistan Centre for Philanthropy (www.pcp.org.pk) for NGO Good Practices in three key areas: Governance, Financial Practices and Programme Delivery.

Appointment of Directors

The Directors have regard to the criteria in the Governing Document for the appointment of Directors and are happy to hear from any individuals interested in committing voluntarily to the cause of READ and who have the commitment and expertise to take on the responsibilities of a Director at a future date.

Given the size of the charity and the need to keep administrative burdens to a minimum, the Directors have adopted the following practice in the appointment of Directors:

- Potential future Directors are invited to volunteer their skills and experiences to READ over an extended period of time (a minimum of 6 months).
- Potential Directors are invited to attend a particular session of board meetings and contribute to specified discussions. This gives the existing Directors an opportunity to assess their skills, knowledge, experience and the long-term potential for them to contribute to the work of READ.
- Over a further period of meeting attendances and volunteering, the Directors assess whether a particular volunteer has the skills, knowledge, experience and commitment likely to be of benefit to READ UK and following full discussion amongst the Directors may then (if there is a vacancy or to meet a particular need) be invited to consider appointment to the board.

The above practice has been adopted since the registration of READ UK in 2006 (READ UK initially having registered as a trust, re-registered as a company limited by guarantee in 2015) and the Directors consider that the practice has been successful in delivering committed and appropriately qualified new Directors who are able to serve the interests of READ's beneficiaries.

On appointment of a new Director, the Directors are required by the Governing Document to provide a copy of the Governing Document and previous Annual Reports and Statements of Account as part of the induction process.

However in practice, the Directors ensure through the above steps, any potential new Director has a detailed practical understanding of READ UK, its objectives and challenges by the time any consideration is given to appointment as a Director.

Directors are committed to ensuring the board is open to all committed volunteers who are able to progress through the stages set out above regardless of race, ethnic background, religion or gender. The Directors are particularly keen to reflect at board level the commitment and expertise of its female donors and volunteers.

Director Responsibilities

To ensure that READ UK is best placed to achieve its aims and keeping in mind its size and the need to keep overhead costs proportionate, Directors are allocated specific responsibilities which broadly divide into either fundraising, regulatory or human resources. Within these broad categories, Directors provide both strategic direction and operational guidance.

Risk Management

At each board meeting, the Directors give the appropriate level of attention to addressing the risks to which READ UK may be exposed to and take the appropriate steps to safeguard READ UK when planning its activities. In particular, Directors review at each board meeting the key risks likely to impact on individual fundraising initiatives and plan to mitigate such risks as part of their decision-making process

Financial Review

This year has seen a rise in the funds for Pakistan & Kashmir. As a result we are able to help more orphans and needy children access a better quality of education, thereby improving their chances of a brighter future.

There has also been an increase in field visits by school build donors. These donors have travelled out to Pakistan/ Kashmir to view first hand READ's work and attend the opening ceremony of their school. In addition, many more donors who have sponsored orphans,

have also managed to visit the sponsored orphans at their respective schools. This has resulted in positive feedback and word of mouth promotion to their network of family and friends.

We are constantly working on improving our work, following the independent audit conducted last year, we have tasked the CEO to ensure a follow up of the action points to be implemented in order to ensure continual improvement in the quality and scope of our work.

Reserves Policy

The Directors have resolved to maintain a reserve fund to cover three months of core operating costs and any liabilities.

This should allow READ UK to meet any immediate demands on its resources and gives READ UK the working capital to respond quickly to the need to generate income, for example to provide immediate relief in humanitarian emergencies.

The ability to maintain reserves at appropriate levels on an on-going basis is now assisted by the improved cash-flows that READ UK benefits from, in particular the regular Direct Debit income.

Funding Allocation

In FY 17-18 the Directors allocated funding to the following projects:

- **Child and Orphan-Child Sponsorship Programmes**
- **School Enhancement Programme**
- **School Building Programme**
- **Eid Gifts for Orphans**
- **Back to School Campaign**
- **Winter Campaign**

Fundraising

During the 2017-2018 financial year, we expanded our fundraising team which enabled us to host numerous events across the country, increasing funds through numerous fundraising activities. During the busy period of Ramadan we capitalised on the communities increased generosity, through various appeals including, mosque collections, live TV appeals including Islam Channel and pre-Ramadan dinners.

During March and November we held two tours with famous Pakistani actor Noman Ijaz, which proved to be extremely successful. The second tour focused on targeting new donors across Bradford, Manchester, East and West London. This broadened our donor base, exposing new parts



of the community to our orphan sponsorship and school building initiatives. By doing so, we raised an amazing £201,000 from this tour.

This year we increased the number of charity dinners focusing solely on school builds, which resulted in the increase of schools being built in Pakistan and Kashmir. This included the Gori school, Bhimber school, Sangar refurbishment among others, which are expected to be completed over the coming months. Increasing our live appeal presence has not only proved to be successful in attracting more donors, but has helped to increase familiarity within the public sphere.



Campaign Focus: Winter Campaign 2017

In November 2017 we launched our annual winter appeal which ran into January 2018.

Winter can be a difficult time for anyone, however, it truly becomes a fight for survival for those living in poverty across the world especially in the mountain regions of Pakistan and Kashmir where temperatures often fall well below zero and remain in the minus figures for months.

Many of our students and their families live in the mountainous and rural areas of Pakistan and Kashmir. During the harsh winter months they struggle to keep warm. They live in small mud huts and houses made out of tin sheets which fail to safe-guard them from the harsh winter elements. We have been running the winter appeal for several years and year on year it has been growing from strength to strength.

We offer our donors the opportunity to help orphans and their families by providing a winter warmer pack for as little as £30. This includes a winter coat, hat, scarf, gloves and winter shoes. Everything a child needs to keep warm during their journey from home to school.

We managed to provide 1,000 winter packs to needy orphaned children. This was distributed over 3 different districts according to where most needed.

We hope to continue this programme and increase year on year the success of this project.



READ Orphan Sponsorship Programme

The one to one orphan sponsorship programme is READ's flagship project; it's one of the core programmes. The simple process of allowing anyone to help a needy orphan access education is one of the most effective ways to break the cycle of poverty for as little as £30 per month (£1 a day) the donor transforms the life of sponsored orphans which gives them a brighter future for them and their families.

Sponsored orphans attend READ Foundation schools and are regularly monitored to ensure they are achieving to the best of their ability and potential.

THROUGH THE ONE TO ONE ORPHAN SPONSORSHIP PROGRAMME EACH ORPHAN IS PROVIDED WITH A NEW UNIFORM, SHOES, STATIONERY, SCHOOL BAG, THEIR TUITION/SCHOOL FEES ARE ALL PAID AS WELL AS MONTHLY STIPENDS FOR HOME TO ENSURE THEY HAVE ALL THAT IS REQUIRED TO FOCUS ON THEIR EDUCATION TO THRIVE AND PROSPER.



School Enhancement Programme

The school enhancement programme works to improve the existing school environment and therefore enhances the quality of education. The Gori school has an enrolment of 301 boys and girls in kindergarten, primary and secondary grades including 39 orphan students.

All teachers currently working at the school have attended basic training to teach in their assigned subjects under READ Foundation's regular capacity building programme. Regular mentoring and follow up visits by a team of Education & Training Officers based at our Centre for Training & Coordination in Muzaffarabad is helping the school staff improve and grow continuously.

The refurbishment of the classrooms and the provision of the below facilities and equipment have had a significant impact on the quality of education in the school. The project will help create more opportunities for underprivileged children to receive quality education, improve learning outcomes of the students and increase enrolment.

The following interventions were undertaken at the school:

- Refurbishment of 11 classrooms – ceiling, doors and windows, flooring, and electrical wiring
- Whitewash and paint work at the school's premises
- Age and grade-specific classroom furniture for 110 students
- Syllabi-based teaching-learning materials comprising Montessori equipment, decorative materials and whiteboards/soft boards to support early childhood learning at the school. The provision of syllabi-based materials to help the schools nurture young children with a full array of materials that create a complete and effective learning environment.
- Science laboratory equipment and supplies for the subjects of Physics, Chemistry and Biology
- Provision of a 1,000-gallon water tank
- Provision of a child friendly play area



School Construction Programme

The global shortage of classrooms to achieve universal primary education is a compelling argument for building new schools. The UN millennial development goals identified the lack of primary education to be a key factor in hindering social and economic growth. Moreover, In 2018 UNICEF found that 63 million primary age children remain out of school.¹

Thus, we are continuously striving to build more schools and classrooms, especially in rural communities, where poverty stricken families are unable to afford to send their children to school. Alongside which we are continuing to drive our Sponsor An Orphan initiative, which allows them to attend these schools, covering thier tuition expenses.

We have a team of designers and construction specialists that oversee every new school build. Over the past ten years this has allowed schools to be built even into the sides of mountains in Kashmir.

In 2017/2018 we had several school opening ceremonies. Donors and their families travelled out to Pakistan, from the UK, to see first hand the schools they had contributed towards.

Donors maintain a long standing relationship with READ Foundation through the construction of these schools by making regular visits, building a bond with the students and teachers over the years.

¹ <https://data.unicef.org/topic/education/primary-education/>



Project Focus: School Build Committee

Running now for three years, the school build committee has been a successful programme. It allows those donors that cannot afford to build a school individually, to partake in sharing the cost with others. It consists of groups of people coming together and each donating £100 per month. This school build committee fund is then utilised to build a school collectively. To date the committee has already built two schools and is near completion of the third. As long as donors continue to donate £100 per month we will continue to build a brand new seismic compliant school every year.



Chair's Report

Assalamu alaikum – May the peace and blessings of God be upon you all.

In 2018 we have had a fruitful year, raising the highest amount to date, an amazing £2.7 million. This has allowed us to help more children access quality education.

We've had continuous success with our school build construction programme year on year increasing the amount of schools being built and plan to continue on this upward trend. We have also invested in our one-to-one orphan sponsorship feedback programme which is one of READ's flagship projects. In addition to orphan school reports we have added to the feedback personal letters from the sponsored orphans, drawings and several pictures. This has been most welcomed by donors and greatly appreciated.

We have started some strategic UK partnerships with some of the largest children's charities in the UK namely Barnardo's. We have jointly funded a UK project targeting and focusing on disadvantaged youth. Providing those key skills and training they need to help build their confidence and social skills. Some have gone on to further studies with a view of going on to university whilst others have taken on apprenticeships where they are assured a job at the end of their training, providing them a stable future.

I recognise we would not have achieved what we have without the generosity and loyalty of our donors, volunteers and small but dedicated team of staff, to whom we are grateful. On behalf of the Board of Directors I would like to wholeheartedly thank you for all your support.

Education is the cornerstone for a prosperous society; education is the doorway out of poverty. Education is the passport to the future, for tomorrow belongs to those who prepare for it today. With your generous support, we can continue to make a real and lasting difference to orphans and needy children. Please continue supporting READ Foundation.



Dr Yaqub Hussain
Chair, READ UK



Report and Accounts

31 March 2018

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Independent Auditors' Report to the Trustees of the charitable company on the accounts for the year ended 31 March 2018

INTRODUCTION

We have audited the financial statements of READ FOUNDATION for the year ended 31 March 2018, as set out on pages 4 to 18, which comprise the Statement of Financial Activities, the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard 102, (effective 1st January 2016), and the accounts have been prepared in accordance with FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) published by the Charity Commission in England & Wales (CCEW), effective January 2016, (The SORP), under the historical cost convention, and in accordance with the accounting policies set out on pages 42 - 43, which framework constitutes the applicable United Kingdom Generally Accepted Accounting Practice.

LIMITATION OF LIABILITY

This report is made solely to the Trustees of the charitable company, as a body, in accordance with the requirements of Section 154 of the Charities Act 2011 (The Act). Our work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume liability or responsibility to anyone other than the Trustees as a body, for our work, for this report or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS, THE TRUSTEES AND OF THE AUDITORS

As described on page 9, the charitable company's Trustees, who are also the Directors of the Company for the purposes of Company law, are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

We have been appointed as auditors under section 144(2) of The Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

We are required to report to the Trustees our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Charities (Accounts and Reports) Regulations 2008.

We are also required to report to you if, in our opinion, the Trustees's Annual Report is materially inconsistent with the financial statements, if the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, or if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees's remuneration and transactions with the charitable company is not disclosed.

GENERIC SCOPE OF AN AUDIT

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Trustees, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

PLANNING AND PERFORMING THE AUDIT

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and in accordance with the Practice Note 'The Audit of Charities in the United Kingdom', revised in March 2012.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

ASSISTANCE WITH ACCOUNTANCY AND TAX MATTERS

In accordance with the exemption provided by APB Ethical Standard – Provisions Available for Smaller Entities, we have prepared and submitted the charitable company's returns to the tax authorities and assisted with the preparation of the accounts.

ELIGIBILITY OF AUDITOR AND STATUS OF AUDIT

Attention is drawn to the accounting policy stating that, notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, and in order to accord with current best practice, the Trustees have determined to prepare the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016). We concur with this approach, and any references in our report to the regulations should be read subject to this comment.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion, the charitable company's financial statements:

- give a true and fair view of the state of affairs of the charitable company as at 31 March 2018 and of its Income and Expenditure for the financial year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to entities of its size and have been properly prepared in accordance with the requirements of the Charities Act 2011: and
- have been prepared in accordance with the methods and principles required by the FRS102 Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission in England & Wales (CCEW), effective January 2015 (The SORP), and those methods and principles have been followed.

MATTERS UPON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you, if in our opinion:

- the charitable company has not kept adequate records; or
- the financial statements are not in agreement with the accounting records and returns; or
- if information specified by law regarding Directors' remuneration and transactions with the charity is not disclosed.
- we have not received all the information and explanations we require for our audit



MR P. JAYAWARDENE - Senior Statutory Auditor

For and on behalf of Gardezi Jay & Company Registered Auditors

Chartered Accountants and Statutory Auditors.

4A The Avenue
Highams Park
London
Essex
E4 9LD

This report was signed on 11 August 2018

Statement of Financial Activities for the year ended 31 March 2018

Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 March 2018, as required by the Companies Act 2006)

	SORP Ref	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current Year Total Funds 2018 £	Prior Year Total Funds 2017 £
Income & Endowments					
Donations & Legacies	A1	682,750	2,057,577	2,740,327	2,218,252
Income from charitable activities	A2	-	9,505	9,505	7,362
Investments	A4	2,440	-	2,440	3,132
Total income	A	685,190	2,067,082	2,752,272	2,228,746
Expenditure on					
Raising funds	B1	-	575,212	575,212	582,161
Charitable activities	B2	270,309	1,586,790	1,857,099	1,935,375
Total expenditure	B	270,309	2,162,002	2,432,311	2,517,536
Net income/ (expenditure) for the year		414,881	(94,920)	319,961	(288,790)
Net income after transfers	A-B	414,881	(94,920)	319,961	(288,790)
Net movements in funds		414,881	(94,920)	319,961	(288,790)
Reconciliation of funds:	E	-	-	-	-
Total funds brought forward		268,157	213,609	481,766	770,556
Total Funds carried forward		683,038	118,689	801,727	481,766

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All activities derive from continuing operations

The notes attached on pages 35 to 42 form an integral part of these accounts.

Statement of Financial Activities for the year ended 31 March 2018

ANALYSIS OF PRIOR YEAR TOTAL FUNDS, AS REQUIRED BY PARAGRAPH 4.2 OF THE SORP

	SORP Ref	Prior year Unrestricted Funds 2017 £	Prior year Restricted Funds 2017 £	Prior Year Total Funds 2017 £
Income & Endowments from				
Donations & Legacies	A1	340,705	1,877,547	2,218,252
Charitable activities	A2	-	7,362	7,362
Investments	A4	3,132	-	3,132
Total income	A	343,837	1,884,909	2,228,746
Expenditure on				
Raising funds	B1	-	582,161	582,161
Charitable activities	B2	211,120	1,724,255	1,935,375
Total expenditure	B	211,120	2,306,416	2,517,536
Net expenditure for the year		132,717	(421,507)	(288,790)
Net income after transfers		132,717	(421,507)	(288,790)
Net movement in funds		132,717	(421,507)	(288,790)
Reconciliation of funds				
Total funds brought forward		135,440	635,116	770,556
Total funds carried forward		268,157	213,609	481,766

All activities derive from continuing operations

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

The notes attached on pages 35 to 42 form an integral part of these accounts.

Statement of Financial Activities for the year ended 31 March 2018

RESOURCES APPLIED IN THE YEAR ENDED 31 MARCH 2018 TOWARDS FIXED ASSETS FOR CHARITY USE:

	2018 £	2017 £
Funds generated in the year as detailed in the SOFA Resources applied on functional fixed assets	319,961	(288,790)
	-	(1,671)
Net resources available to fund charitable activities	319,961	(290,461)

The resources applied on fixed assets for charity use represents the cost of additions less proceeds of any disposals.

MOVEMENTS IN REVENUE AND CAPITAL FUNDS FOR THE YEAR ENDED 31 MARCH 2018

REVENUE ACCUMULATED FUNDS

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Last Year Total Funds 2017 £
Accumulated funds brought forward	268,157	213,609	481,766	770,556
Recognised gains and losses before transfers	414,881	(94,920)	319,961	(288,790)
	683,038	118,689	801,727	481,766
Closing revenue funds	683,038	118,689	801,727	481,766

SUMMARY OF FUNDS

	Unrestricted and Designate funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Last Year Total Funds 2017 £
Revenue accumulated funds	683,038	118,689	801,727	481,766

The notes attached on pages 35 to 42 form an integral part of these accounts.

Statement of Financial Activities for the year ended 31 March 2018

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018 AS REQUIRED BY THE COMPANIES ACT 2006

	2018 £	2017 £
Income		
Income from operations	2,749,832	2,225,614
Investment income Profit from investment	2,440	3,132
Gross income in the year before exceptional items	2,752,272	2,228,746
Gross income in the year including exceptional items	2,752,272	2,228,746
Expenditure		
Charitable expenditure, excluding depreciation and amortisation	1,849,706	1,924,651
Depreciation and amortisation	2,530	4,724
Fundraising costs	575,212	582,161
Governance costs	4,863	6,000
Total expenditure in the year	2,432,311	2,517,536
Net income before tax in the financial year	319,961	(288,790)
Net income after tax in the financial year	319,961	(288,790)
Retained surplus for the financial year	319,961	(288,790)

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

The notes attached on pages 35 to 42 form an integral part of these accounts.

Balance Sheet as at 31 March 2018

	Note	SORP Ref	2018 £	2017 £
Fixed assets		A		
Tangible assets	11	A2	5,138	7,668
Current assets		B		
Debtors	12	B2	236,392	1,483
Cash at bank and in hand		B4	664,574	650,881
Total Current Assets			900,966	652,364
Creditors: amounts falling due within one year	13	C1	(104,377)	(178,266)
Net current assets			796,589	474,098
The total net assets of the charity			801,727	481,766
The total net assets of the charity are funded by the funds of the charity, as follows:				
Restricted funds				
Restricted Revenue Funds	17	D2	118,689	213,609
Unrestricted Funds				
Unrestricted Revenue Funds	17	D3	683,038	268,157
Designated Funds				
Total charity funds			801,727	481,766

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA.

Balance Sheet as at 31 March 2018

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

The charity is subject to audit under charity legislation, and the report of the Charities Act auditor is on pages 30-33.

The financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006, applicable to companies subject to the small companies regime.



DR YAQUB HUSSAIN

Trustee
Approved by the board of trustees on 11 August 2018

The notes attached on pages 35 to 42 form an integral part of these accounts.

Cash Flow Statement for the year ended 31 March 2018

Cash flows from operating activities		2018 £	2017 £
Net cash provided by operating activities as shown below	A	<u>11,253</u>	<u>(87,865)</u>
Cash flows from investing activities			
Other investment income, including rents from investments		2,440	3,132
Purchase of property, plant and equipment		-	(1,671)
Net cash provided by investing activities	B	<u>2,440</u>	<u>1,461</u>
Overall cash provided by all activities	A+B	<u>13,693</u>	<u>89,326</u>
Cash movements			
Change in cash and cash equivalents from activities in the year ended 31 March 2018		13,693	89,326
Cash and cash equivalents at 1 April 2017		650,881	561,555
Cash at bank and in hand less overdrafts at 31 March		<u>664,574</u>	<u>650,881</u>
Reconciliation of net income / (expenditure) to net cash flow from operating activities			
Net income / (expenditure) as shown in the Statement of Financial Activities		319,961	(288,790)
Adjustments for :-			
Depreciation charges		2,530	4,724
Dividends, interest and rents from investments		(2,440)	(3,132)
(Increase)/decrease in debtors		(234,909)	208,202
(Decrease)/increase in creditors, excluding loans		(73,889)	166,861
Net cash provided by operating activities	A	<u>11,253</u>	<u>87,865</u>
Analysis of cash and cash equivalents			
		2018 £	2017 £
Cash in hand at for the year ended 31 March 2018		664,574	650,881
Total cash and cash equivalents		<u>664,574</u>	<u>650,881</u>

Notes to the Accounts for the year ended 31 March 2018

1. ACCOUNTING POLICIES

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) published by the Charity Commission in England & Wales (CCEW), effective January 2016, (The SORP), and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015 (as amended by the Bulletin issued in February 2016) in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Policies relating to categories of income and income recognition.

Nature of income

Gross income represents the value of donations received from donors.

Income recognition

Income is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Notes to the Accounts for the year ended 31 March 2018

Accounting for deferred income and income received in advance

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

Policies relating to expenditure on goods and services provided to the charity.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Notes to the Accounts for the year ended 31 March 2018

Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

The basis for apportionment, which is consistently applied, and proportionate to the circumstances, is :-

Staffing - on the basis of time spent in connection with any particular activity.

Staffing - on a per capita basis, based on the number of people employed within any particular activity.

Premises related costs - on the proportion of floor area occupied by a particular activity.

Non specific support costs - on the basis of the usage of resources, in terms of time taken, capacity used, request made or other measures

Volunteers

In accordance with the SORP, and in recognition of the difficulties in placing a monetary value on the contribution from volunteers, the contribution of volunteers is not included within the income of the charity. However, the trustees value the significant contribution made to the activities of the charity by unpaid volunteers and this is described more fully in Note 5.

Policies relating to assets, liabilities and provisions and other matters.

Tangible fixed assets

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Plant and machinery	33.3% reducing balance
---------------------	------------------------

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Financial instruments including cash and bank balances

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

2. LIABILITY TO TAXATION

As a registered charity, the organisation is exempt from income and corporation tax to the extent that its income and gains are applied towards the charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

3. WINDING UP OR DISSOLUTION OF THE CHARITY

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

Notes to the Accounts for the year ended 31 March 2018

4. NET SURPLUS BEFORE TAX IN THE FINANCIAL YEAR

	2018 £	2017 £
The net surplus before tax in the financial year is stated after charging:		
Depreciation of owned fixed assets	2,530	4,724
Auditors' remuneration	3,000	6,000

5. THE CONTRIBUTION OF VOLUNTEERS

The volunteers work tirelessly to achieve the goals of the charity and their contributions cannot be measured.

6. STAFF COSTS AND EMOLUMENTS

	2018 £	2017 £
Salary costs		
Gross Salaries excluding trustees and key management personnel	272,711	286,735
Employer's National Insurance for all staff	25,542	18,737
Employer's operating costs of defined contribution pension schemes	1,842	
Total salaries, wages and related costs	300,095	305,472
Numbers of full time employees or full time equivalents	2018	2017
The average number of total staff employed in the year was	13	15
The estimated full time equivalent number of all staff in the year was	13	15
Engaged on charitable activities	13	15
The estimated full time equivalent number of all staff employed as above	13	15

Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

7. DEFINED CONTRIBUTION PENSION SCHEMES

The charity operates a defined contribution pension scheme, using NEST as pension provider.

Any liabilities and assets associated with the scheme are shown under debtors and creditors.

8. REMUNERATION AND PAYMENTS TO DIRECTORS AND PERSONS CONNECTED WITH THEM

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

Notes to the Accounts for the year ended 31 March 2018

9. TRUSTEES' EXPENSES

The expenses reimbursed to trustees, or paid directly to third parties, in the current or prior year, was as shown below.

	2018 £	2017 £
The amount reimbursed to Directors	1,863	-

The nature of the Directors' expenses were refreshments & travel.

10. HERITAGE ASSETS NOT INCLUDED IN THE ACCOUNTS

There are no Heritage assets.

11. TANGIBLE FIXED ASSETS

	Plant & Machinery £	Total £
Cost		
At 1 April 2017	16,919	16,919
Additions	-	-
At 31 March 2018	16,919	16,919
Depreciation		
At 1 April 2017	9,251	9,251
Charge for the year	2,530	2,530
At 31 March 2018	11,781	11,781
Net book value		
At 31 March 2018	5,138	5,138
At 31 March 2017	7,668	7,668

12. DEBTORS

	2018 £	2017 £
Prepayments and accrued income	25,068	1,483
Other debtors	211,324	-
	236,392	1,483
Defined contribution pension scheme prepaid by less than one year	-	-

Notes to the Accounts for the year ended 31 March 2018

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Accruals	6,000	9,000
PAYE, NIC VAT and other taxes	9,183	-
Other creditors	88,823	169,266
	104,006	178,266
Defined contribution pension scheme liabilities due within one year	371	-

14. INCOME AND EXPENDITURE ACCOUNT SUMMARY

	2018 £	2017 £
At 1 April 2017	481,766	770,556
(Loss) / Surplus after tax for the year	319,961	(288,790)
At 31 March 2018	801,727	481,766

15. NO RELATED PARTY TRANSACTIONS

There were no transactions with related parties in the year.

16. PARTICULARS OF HOW PARTICULAR FUNDS ARE REPRESENTED BY ASSETS AND LIABILITIES

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
At 31 March 2018				
Tangible Fixed Assets	5,138	-	-	5,138
Investments at valuation:				
Current Assets	782,277	-	118,689	900,966
Current Liabilities	(104,377)	-	-	(104,377)
	683,038		118,689	801,727
At 1 April 2017				
Tangible Fixed Assets	7,668	-	-	7,668
Investments at valuation:				
Current Assets	438,755	-	213,609	652,364
Current Liabilities	(178,266)	-	-	(178,266)
	268,157		213,609	481,766

Notes to the Accounts for the year ended 31 March 2018

17. CHANGE IN TOTAL FUNDS OVER THE YEAR AS SHOWN IN NOTE 16, ANALYSED BY INDIVIDUAL FUNDS

	Funds brought forward from 2017 £	Movement in funds in 2018 See Note 17 £	Transfers between funds in 2018 See Note 0 £	Funds carried forward to 2018 £
Unrestricted and designated funds:				
Unrestricted revenue funds	268,157	414,881	-	683,038
Total unrestricted and designated funds	268,157	414,881		683,038
Restricted funds:				
Donations & Legacies	3,783,052	2,057,577	-	5,840,629
Income from charitable activities	38,805	9,505	-	48,310
Sundry other funds	518,603	-	-	518,603
Cost of raising funds	(1,111,017)	(575,212)	-	(1,686,229)
Expenditure on charitable activities	(3,015,834)	(1,586,790)	-	(4,602,624)
Total restricted funds	213,609	(94,920)		118,689
Total charity funds	481,766	319,961		801,727

18. ANALYSIS OF MOVEMENTS IN FUNDS OVER THE YEAR AS SHOWN IN NOTE 17

	Income 2018 £	Expenditure 2018 £	Gains & Losses 2018 £	Movement in funds 2018 £
Unrestricted and designated funds:				
Unrestricted revenue funds	685,190	(270,309)	-	414,881
Restricted funds:				
Donations & Legacies	2,057,577	-	-	2,057,577
Income from charitable activities	9,505	-	-	9,505
Cost of raising funds	-	(575,212)	-	(575,212)
Expenditure on charitable activities	-	(1,586,790)	-	(1,586,790)
	2,752,272	(2,432,311)		319,961

Notes to the Accounts for the year ended 31 March 2018

19. THE PURPOSES FOR WHICH THE FUNDS AS DETAILED IN NOTE 17 ARE HELD BY THE CHARITY ARE:

Unrestricted and designated funds:

Unrestricted revenue funds

These funds are held for the meeting of the objectives of the charity, and to provide reserves for future activities, and, subject to charity legislation, are free from all restrictions on their use.

Unrestricted revaluation reserve

This fund represents the unrestricted surplus arising on the revaluation of the charity's assets.

Restricted funds:

Restricted fixed asset funds

The purpose of these funds is described under the accounting policy 'Accounting for capital grants and fixed asset funds'.

Restricted revaluation reserve

This fund represents the restricted surplus arising on the revaluation of the charity's assets.

Donations & Legacies

Restricted for the purpose restricted by the donor.

20. ULTIMATE CONTROLLING PARTY

The charity is under the control of its legal members.

Detailed analysis of income and expenditure for the year ended 31 March 2018 as required by the SORP 2015

This analysis is classified by conventional nominal descriptions and not by activity.

21. DONATIONS AND LEGACIES

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior year Total Funds 2017 £
Donations and gifts from individuals				
Small donations individually less than £1000	120	994,961	995,081	938,930
Individual Donation > £1,000 less than £5,000	-	12,450	12,450	8,413
Individual Donation > £5,000 less than £10,000	-	6,112	6,112	6,084
Individual Donation > £10,000 less than £50,000	-	204,131	204,131	210,035
Individual Donation > £50,000 less than £100,000	-	250,940	250,940	307,764
Individual Donation > £100,000 less than £1000,000	421,868	588,983	1,010,851	489,429
Total donations and gifts from individuals	421,988	2,057,577	2,479,565	1,960,655
Gift Aid				
HMRC - Gift Aid	260,762	-	260,762	257,597
Total Gift Aid	260,762	-	260,762	257,597
Total Donations and Legacies	A1	682,750	2,057,577	2,740,327

22. INCOME FROM CHARITABLE ACTIVITIES - TRADING ACTIVITIES

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior year Total Funds 2017 £
Primary purpose and ancillary trading				
Ticket Sales	-	9,505	9,505	7,362
Total Primary purpose and ancillary trading	-	9,505	9,505	7,362

Detailed analysis of income and expenditure for the year ended 31 March 2018 as required by the SORP 2015

23. TOTAL INCOME FROM CHARITABLE ACTIVITIES

		Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior year Total Funds 2017 £
Total income from charitable trading		-	9,505	9,505	7,362
Total from charitable activities	A2	-	9,505	9,505	7,362

24. INVESTMENT INCOME

		Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior year Total Funds 2017 £
Other investment income		2,440	-	2,440	3,132
Total investment income	A4	2,440	-	2,440	3,132

25. EXPENDITURE ON CHARITABLE ACTIVITIES - DIRECT SPENDING

		Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior year Total Funds 2017 £
Gross wages and salaries - charitable activities		129,180	129,180	258,360	259,477
Employers' NI - Charitable activities		12,771	12,771	25,542	18,737
Defined contribution pension costs - charitable activities		921	921	1,842	-
Temporary Staff - Charitable Activities		7,175	7,176	14,351	27,258
Travel and Subsistence - Charitable Activities		16,192	16,191	32,383	25,748
Training and welfare - Staff		368	369	737	1,284
Recruitment Expenses		3,201	3,201	6,402	-
Total direct spending	B2a	169,808	169,809	339,617	332,504

Detailed analysis of income and expenditure for the year ended 31 March 2018 as required by the SORP 2015

26. EXPENDITURE ON CHARITABLE ACTIVITIES- GRANT FUNDING OF ACTIVITIES

		Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior year Total Funds 2017 £
Grants made to organisations		56,717	1,373,197	1,429,914	1,513,131
Total grantmaking costs	B2c	56,717	1,373,197	1,429,914	1,513,131

Breakdown of Grants made to organisations

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior year Total Funds 2017 £
Science Lab	29,044	-	29,044	-
Afzalpur Mirpur School	-	11,540	11,540	-
Charhoi School	-	85,000	85,000	30,000
Build a School Islam Channel	-	30,000	30,000	170,649
Read Afaq Cef Teacher Training	-	100,000	100,000	-
School Build	2,100	-	2,100	20,000
Bees Bagla School	-	55,000	55,000	49,116
Basnara School	-	90,000	90,000	162,617
Other	25,573	4,671	30,244	26,095
School Enhancements	-	26,423	26,423	11,450
Food for Needy	-	31,165	31,165	4,973
Rehala School	-	-	-	51,500
DAB School	-	45,000	45,000	30,000
Mallot School	-	-	-	41,000
Soroll School	-	10,000	10,000	25,000
Qurbani	-	12,672	12,672	-
Panjgran School	-	60,000	60,000	75,000
Orphan-Sponsorship (Worldwide)	-	811,726	811,726	815,731
	56,717	1,373,197	1,429,914	1,513,131

Detailed analysis of income and expenditure for the year ended 31 March 2018 as required by the SORP 2015

27. SUPPORT COSTS FOR CHARITABLE ACTIVITIES

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior year Total Funds 2017 £
Premises Expenses				
Rent, Rates and water charges	6,464	6,464	12,928	12,992
Light heat and power	1,614	1,615	3,229	4,312
Cleaning and waste management	528	528	1,056	2,875
Premises repairs, renewals and maintenance	73	73	146	313
Property insurance	732	732	1,464	1,110
Administrative overheads				
Telephone, fax and internet	3,866	3,864	7,730	9,984
Stationery and printing	3,936	3,937	7,873	15,054
Subscriptions to periodicals	1,763	1,763	3,526	1,470
Hire of equipment	-	-	-	152
Software licences and expenses	6,731	6,731	13,462	2,107
Sundry expenses	2,883	2,882	5,765	928
Professional fees paid to advisors other than the auditor or examiner				
Accountancy fees other than examination or audit fees	-	-	-	4,175
Legal fees	927	926	1,853	685
Other legal and professional	9,479	9,480	18,959	20,230
Financial costs				
Bank charges	1,092	1,092	2,184	2,629
Depreciation & Amortisation in total for the period	1,265	1,265	2,530	4,724
Support costs before reallocation	41,353	41,352	82,705	83,740
Total support costs	41,353	41,352	82,705	83,740

The basis of allocation of costs between activities is described under accounting policies.

Detailed analysis of income and expenditure for the year ended 31 March 2018 as required by the SORP 2015

28. OTHER EXPENDITURE - GOVERNANCE COSTS

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior year Total Funds 2017 £
Auditor's fees	1,500	1,500	3,000	6,000
Trustees' expenses	931	932	1,863	-
Total Governance costs	2,431	2,432	4,863	6,000

29. TOTAL CHARITABLE EXPENDITURE

		Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior year Total Funds 2017 £
Total direct spending	B2a	169,808	169,809	339,617	332,504
Total grantmaking costs	B2c	56,717	1,373,197	1,429,914	1,513,131
Total support costs	B2d	41,353	41,352	82,705	83,740
Total Governance costs	B2e	2,431	2,432	4,863	6,000
Total charitable expenditure	B2	270,309	1,586,790	1,857,099	1935,375

30. EXPENDITURE ON RAISING FUNDS AND COSTS OF INVESTMENT MANAGEMENT

		Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior year Total Funds 2017 £
Fundraising publicity & marketing		-	547,781	547,781	553,998
Cost of fundraising activities		-	27,431	27,431	28,163
Total fundraising costs	B1	-	575,212	575,212	582,161

Activity analysis of Income and expenditure for the year ended 31 March 2018

This analysis is classified by activity and not by conventional nominal descriptions.

31. ANALYSIS OF INCOME BY ACTIVITY

Activity	SOFA ref	2018 £	2017 £
Income from charitable activities			
School Building Programme		9,505	7,362
Summary of Total Income, including the items above			
Charitable activities	A2	9,505	7,362
Donations & Legacies	A1	2,740,327	2,218,252
Investment income	A4	2,440	3,132
Total income as shown in the SOFA	A	2,752,272	2,228,746

Activity analysis of Income and expenditure for the year ended 31 March 2018

32. ANALYSIS OF CHARITABLE EXPENDITURE BY ACTIVITY

Activity	Direct costs 2018 £	Support costs 2018 £	Grant funding of activities 2018 £	Total 2018 £	Total 2017 £
Primary purpose and ancillary trading¹					
Direct costs	102,903	-	-	102,903	103,108
Premises expenses	-	18,823	-	18,823	21,602
Administrative overheads	-	38,356	-	38,356	29,695
Professional fees	-	20,812	-	20,812	25,090
Financial costs	-	4,714	-	4,714	7,353
Total Primary purpose and ancillary trading 1	102,903	82,705	-	185,608	186,848
School Building Programme					
Direct costs	118,357	-	-	118,357	114,698
Grantmaking costs	-	-	415,063	415,063	713,832
Total School Building Programme	118,357	-	415,063	533,420	828,530
Orphan Sponsorship					
Direct costs	118,357	-	-	118,357	114,698
Grantmaking costs	-	-	811,726	811,726	737,871
Total Orphan Sponsorship	118,357	-	811,726	930,083	852,569

Activity analysis of Income and expenditure for the year ended 31 March 2018

	Direct costs	Support costs	Grant funding of activities	Total	Total
	2018	2018	2018	2018	2017
	£	£	£	£	£
Other charitable activities					
Grantmaking costs	-	-	203,125	203,125	61,428
Summary of charitable costs by activity					
	Direct costs	Support costs	Grant funding of activities	Total	Total
	2018	2018	2018	2018	2017
	£	£	£	£	£
Total Primary purpose and ancillary trading	102,903	82,705	-	185,608	186,848
Total School Building Programme	118,357	-	415,063	533,420	828,530
Total Orphan Sponsorship	118,357	-	811,726	930,083	852,569
Total Other charitable activities	-	-	203,125	203,125	61,428
Total Governance costs as detailed in Note 28	-	4,863	-	4,863	6,000
Total charitable expenditure	339,617	87,568	1,429,914	1,857,099	1,935,375

The basis of allocation of costs between activities is described under accounting policies
The breakdown of this expenditure by type of spending (i.e. nominal classification) is detailed in note 29.

Analysis of support and governance costs by charitable activities

Activity	Governance	Finance	Human resources	Other overheads	Total
	£	£	£	£	
Primary purpose and ancillary trading 1	4,863	4,714	-	77,991	87,568

Activity analysis of Income and expenditure for the year ended 31 March 2018

Summary of grant making by activity

	Grant to institutions	Grant to individuals	Support costs	Total	Total
	2018	2018	2018	2018	2017
	£	£	£	£	£
School Building Program	415,063	-	-	415,063	713,832
Orphan Sponsorship	811,726	-	-	811,726	737,871
Other charitable activities	203,125	-	-	203,125	61,428
	1,429,914	-	-	1,429,914	1,513,131

Fuller details of grants made and related costs, including support costs, are shown in note 26.

33. ANALYSIS OF NON CHARITABLE EXPENDITURE BY ACTIVITY

Activity	Fundraising activities 2018	Fundraising activities 2017
	£	£
Fundraising activities		
Direct fundraising costs	575,212	582,161
Governance costs	Governance costs	Governance costs
	2018	2017
	£	£
Other Expenditure - Governance costs as detailed in Note 28	4,863	6,000
	2018	2017
	£	£
Total costs of Fundraising activities	575,212	582,161
Total non charitable expenditure	575,212	582,161



EDUCATION WORKS

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education works



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