

Charity Registration No. 1115625 Company Registration No. 5354695 (England and Wales)

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Abdul Shakiry Mr K Sharifi Mr H Shakiry Dr Z S Habib Mr S Bati (Appointed 1 November 2019)
Charity number	1115625
Company number	5354695
Registered office	Unit 1D Crusader House 289 Cricklewood Broadway London London UK NW2 6NX
Independent examiner	Zam Mushtaq Limited First Floor 2 Woodberry Grove Finchley London UK N12 0DR

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

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SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2019

The Trustees present their report and financial statements for the year ended 31 December 2019.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities:

The charity's objects are to support:

- Al Shakiry Charity for Social Solidarity and its five affiliated Branches in Iraq.
- Iraqi Community in London.

Our Aims are:

- To promote the efficiency and effectiveness of charities and the efficient use of charitable resources in Iraq and the United Kingdom by providing information, guidance, training and technical and professional support and assistance.
- Relief of Poverty: The prevention or relief of poverty in Iraq and among Iraqi communities (in particular widows and orphans, the sick, disabled, elderly and internally forced displaced people) by providing: sponsorship, financial support and services to individuals in need and/or charities or other organisations working to prevent or relieve poverty.
- Community Capacity Building: To develop the capacity and skills of the members of the socially and economically disadvantaged Iraqi communities in Iraq and London in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society.
- Social Inclusion: To promote social inclusion for the public benefit of communities in Iraq by preventing people from becoming socially excluded, relieving the needs of those who are socially excluded and assisting them to integrate into society.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

During 2019 ten volunteers were engaged by Shakiry Charity. Their combined input accounted for an accumulated 2456 volunteering hours, which represented a financial saving to the Charity resources of approximately £18,420. Volunteers supported the fundraising, administration, accountancy, translation and IT departments of the Charity.

Category	No. of Volunteers	Volunteer Hours
Fundraising	4	300
Administration	3	1801
Accountancy	1	180
Translation	1	135
IT	1	80
Totals	10	2456

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

ACHIEVEMENTS AND PERFORMANCE:

London Head Office is the hub for administration and fundraising activities in London as well as Iraq, and is responsible for the day to day management, administration and operation of Shakiry Charity for Social Solidarity in a professional and sound manner for the benefit of people in need.

We develop and promote fundraising activities for the purpose of securing donations and sponsorships to support disadvantaged and vulnerable citizens in Iraq.

Our programs encourage social inclusion and capacity building amongst the Iraqi Community in London through participation in social events, training programs and workshops (especially for women), and participation in events and bazaars.

We uphold clear and transparent record keeping of all our activities, and fundraising initiatives. All Donors and Beneficiaries are issued with a relevant registration number, and Donors have access, through our streamlined IT system to trace the path of their donation from source to beneficiary, thereby ensuring that all donations reach the intended recipient/project.

In collaboration with Al Shakiry Charity for Social Solidarity in Baghdad, we provide advice and support to the ongoing development of our Branches and Charity Shops in Iraq.

Our 5 Branches are:

1. Najaf Branch (Opened in January 2010)
2. Bayaa Branch (Opened in June 2010)
3. Sadr City Branch (Opened in November 2011)
4. Grayaat Branch (Opened in March 2012)
5. Basra Branch (Opened in September 2017)

The branches are instrumental in providing support to vulnerable citizens living in poverty, suffering from illness and/ or disability, or facing a crisis situation. Staff and volunteers regularly carry out home visits to assess the wellbeing of the needy and destitute families. Special Appeals from destitute citizens for financial support are highlighted in our weekly website newsletters, and circulated to our registered donors and sponsors.

For more detailed information on the achievements of Shakiry Charity for Social Solidarity please see our website www.shakirycharity.org.

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Achievements registered by the Charity during 2019 were:

Support to Orphans through our sponsorship program remains the core activity of Shakiry Charity. Our target during 2019 was to provide monthly support to 183 orphans.

The ongoing high rate of orphans in Iraq has been accredited to the wars and ethnic conflicts and cleansing the country has suffered. Further decline, due to negligent and inefficient government services, poor water supplies and overall hygiene has also impacted negatively on citizens, especially the most needy.

High levels of pollution in water, soil and air has resulted in an increase in medical ailments, and in particular the spread of cancer. Health problems remain exasperated by non- compliance of the government to legal controls of the environment, and below average health service.

In addition:

1. 645 new families were registered with the Branches. Together with the existing 1758 families, this brought a total of 2403 families receiving the benefit of our social welfare programs.
2. Shakiry Charity contributed to 32 humanitarian campaigns during 2019. These campaigns were facilitated through our Voucher system, and made provision for food, clothing, school supplies, blankets, other basic essential items and medical costs to needy individuals and families registered with our Branches.
3. The subject of creating and raising awareness of Human Rights was addressed. A series of nine counselling sessions was made available through the Branches.
4. Five vocational training and education courses were made available by the Branches as well as sewing, design and first aid courses.
5. The Shakiry Charity committee teamed up with three other health and humanitarian organizations to provide a united approach to the problems facing disadvantaged persons, and poor communities, in general.
6. The Branches reinforced and supported the activities of the Charity Bank, and the expansion of their activities to support small projects for an additional 64 families.
7. The Charity Bank contributed to the general welfare of the communities by facilitating loans to meet the needs of poor families in need of essential domestic appliances such as cookers, refrigerators, air coolers and other basic essential commodities. In total, 348 families were supported in this way.

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

PROJECTS FUNDED AND MANAGED BY SCSS

During 2019 our projects were categorized into the following groups:

1. Individual Relief
2. Group Relief
3. Charity Bank

Projects

1. Individual Relief

Sponsoring orphans and/or disabled children

£ 26,530 (approximately IQD 39,000,000*) was raised for sponsorship of 183 orphaned/disabled children from destitute families. Each child received £15 (approximately IQD 25,000) monthly.

Special Appeals

£ 27,315 (approximately IQD 40,000,000*) was received through Special Appeals/Newsletters on Shakiry Charity website. These appeals represented requests for financial support from individuals and families in immediate need of emergency help.

2. Group Relief

Food and Clothing

The Food and Clothing Voucher system (launched in 2015) for needy children and families is functioning effectively. Each family registered with one of our Branches receives 10 x vouchers with a value 5000 IQD (total value = IQD 50,000). Vouchers are redeemed at Shakiry Charity shops, and families use these vouchers in exchange for goods according to their household needs. During 2019, the total amount raised for this project was £31,855 (approximately IQD 48,000,000*) which provided for 1376 families.

3. Charity Bank for Small Businesses

The Charity Bank (Fund) facilitates loans to destitute and unemployed citizens, in particular women, creating an opportunity for them to learn a skill, purchase equipment and material, to enable them to become self-sufficient, earn a living, and provide for their families. Applicants need to satisfy certain criteria to qualify for an interest free loan. Generally, the loans are repaid in monthly instalments over a period of 12 - 24 months (depending on the total value loaned).

During 2019 a total of 152 loans totalling £50,850 (approximately IQD72,000,000) were approved and granted under the Charity Bank for Small Businesses Program. The current capital of the Charity Bank is £56,792.00 (approximately 79,500,000 IQD*).

- Note:
1. * = Rate of exchange during this financial year fluctuated between 1424 – 1539 IQD = £1.00
 2. From time to time, we transfer a higher amount than the actual donation we receive. This is paid by SCSS through our unrestricted donations account.

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Analysis of Charity Bank Loans

	2019	2018	2017	2016	2015
Iraqi Home Products Program	62	20	19	24	19
• Sewing Machine	4	18	05	31	59
• Bread Oven		04	0	0	03
Fabrics (for Sewing Program)		0	0	0	10
Medical Support		02			
Welfare Support		76	02	0	01
Other loans	5	0	01	0	03
Shakiry Charity Shops	81				
Total	152	120	27	55	95

Iraqi Home Products Program (I.H.P) refers to loans for materials and equipment to produce Iraqi home products (e.g. clothing, traditional Iraqi culinary dishes etc.)

FINANCIAL REVIEW

The Trustees have reviewed the reserves of the charity. Deficit for the year amounted to £33,685. This is attributed to the transfer of funds from the UK Charity Bank Fund (account) to the Charity Bank in Iraq. Conscientious efforts are made in keeping overhead costs down through efficiency drives.

General Funds

As at 31 December 2019 unrestricted general funds, were £72,672 and was represented by fixed assets of £687 debtors of £26,122 and cash at bank of £45,863.

Restricted Funds

Restricted funds held were £16,848

Provision for the day to day operational expenses of the Charity are currently covered by the Chair.

The Trustees have assessed the risks to which the charity may be exposed, and are satisfied that systems are in place to mitigate exposure to any major risk.

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

The Trustees manage the internal and external risks to SCSS through regular reviews of the financial position and internal control environment. SCSS operates a comprehensive annual planning and budgeting system and any significant changes to these plans are subject to the specific approval of Management and Trustees. The financial reporting system compares results with these plans on a regular basis.

Income

As a charity, SCSS is dependent on the continuing financial support of its donors. The fundraising team implement the fundraising strategy. Gathering and sharing the stories of destitute citizens in need is a key focus along with the continued additional diversification of our income base. Maintaining a solid fundraising plan and professional fundraising team is a priority.

Recruitment

An inability to attract/retain such personnel would lead to difficulty in sustaining SCSS's current financial model.

Reputation

Damage to reputation is a risk for any organization and particularly important for a charity. Well-developed communication and safeguarding processes, both internal to SCSS and with our partners, are key to minimizing this risk.

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

FUTURE PLANS FOR 2020

General:

- To share our Annual Report for 2019 with our donors so that they can identify with the work of Shakiry Charity and the beneficiaries of their donations. To thank donors for their support, and seek better interaction and communication.
- New bilingual brochures are being prepared and will be distributed informing of Shakiry Charity's core programs; the benefits of the Shakiry Charity shops to the communities we serve in Iraq; and the vital role of the Charity Bank in providing small business loans to needy families (especially women) in Iraq, to empower them to earn an income.
- A special edition brochure for Ramadan will be printed, marking the fifteenth year anniversary of Shakiry Charity for Social Solidarity.
- Distribution of pamphlets informing of our humanitarian work, and seeking new donors.
- We will recruit and pro-actively engage volunteers to assist with the work of the charity. We have seen an increase in our online "followers" and donors as a result of our website appeals featured in both English and Arabic, and by sending these weekly messages to our donors.
- We will increase and further develop our outreach, through reaching out to women. Women in the community are responsive to the importance of humanitarian work, and we will encourage them to share our appeals with friends and families, who are potential new donors and supporters of Shakiry Charity's vision to help the needy
- We will create a cultural and humanitarian WhatsApp group for women. The aim would be to educate women in the community on the importance of humanitarian work, urge them to dedicate some working hours through the publication of distress calls or to participate in cultural programs to be held at the charity such as seminars and workshops.

Social Media:

- We will enlist Volunteers who have the knowledge, confidence and experience to monitor and develop our social media sites such as Face Book, Twitter, etc effectively. These are important tools through which we can create awareness of the Charity's activities in today's fast paced technological world. In particular it targets the younger generation, who will be the future of Shakiry Charity.
- We will utilize social media to engage in new fundraising campaigns and advertising of our humanitarian outreach and work.

Donation Boxes:

- During 2019 we focused on developing and improving our relationships, and communications with the owners of the shops and stores displaying our donation boxes. The owners enjoyed this approach, as they felt inclusive. This led to an increase in donations. We will continue this approach in 2020. Receipts for donations received and annual reports relating to the total donations received from the shops/stores will be given to the shop/store owners.
- Home Donation Boxes contributed significantly to total donations received by our charity.

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

Program to provide necessary supplies:

- The success of this program is credited to the Collective Benefits Project. This is a project based on providing necessary, basic household supplies to poor families. It represents either a guaranteed means of support to a family, or a response to a distress call. The funding for this program is dependent on both public and individual donations.
- Donations made towards this program in 2019 amounted to over £60,000.

Fundraising goals for 2020:

- During 2020 the primary focus of our humanitarian work will be "The Child" whether orphan or from a poor family.
- We will highlight the needs and rights of every child to clothing, food, physical and psychological health care as well as education. Together with our branches, we will focus on educating and raising awareness amongst families, to care for their children's needs as well as recreational activities and sports.
- We will continue to promote and engage in humanitarian programs that have consistently proven successful and have benefitted needy families registered with our Branches in Iraq, namely; Winter Warmth Program, Back to School Program, and Food Baskets (throughout the year).

Food and Clothing Bank Project:

- We will develop a *Food and Clothing Bank* Project. This is a concept to collect financial and in-kind donations in the UK (to be sent to Iraq) which will complement the work of Shakiry Charity Branches in Iraq.
- We need to market this idea in the media and advertise it well to attract donors and shareholders to make it succeed. The fundraising process will be through selling vouchers of a specified monetary value. In turn, the value will transpose into "in-kind" items available through the Shakiry Charity Shops, for distribution to beneficiaries.
- The supporters of this initiative are organizations and their employees, shop/store owners, medical practices and pharmacies, as well as individuals.

The Charity Bank

- New opportunities to secure funding/loans will be made available from the Charity Bank. With opportunities to work from home, and easy repayments on loans, more and more people will have an opportunity to earn an income and provide for themselves and their families.

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT.

The charity is a company limited by guarantee incorporated on 7 February 2005 and registered as a charity on 31 July 2006. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up directors are required to contribute an amount of £10.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements are:

Mr Abdul Shakiry

Mr K Sharifi

Mr H Shakiry

Dr Z S Habib

Mrs L M S Shakiry (Resigned 5th June 2019)

Mr S Bati (Appointed 1 November 2019)

Under the requirements of the Memorandum and Articles of Association, Trustees are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

In accordance with the requirements of our governing document, Mr A.S Shakiry (Chair) and Mr K Sharifi (Vice) tendered their resignation as Trustees. They indicated their willingness for re-election, and were re-elected.

The Annual General Meeting was held on 19th November 2019. This AGM was postponed to January 2020 due to the ill health of the Chair. Mr Samir Bati was appointed to the Trustee Board in November, in recognition of his dedication and professional leadership qualities. The charity will recruit new trustees with relevant experience, expertise and professionalism to lead SCSS forward, as and when required. Mr A.S Shakiry and Mr K Sharifi, both founding members and trustees of Shakiry Charity, continue to devote their time in a volunteering capacity (Chair and Vice Chair respectively) in the day to day management of the charity, as they have done since inception in 2005.

The board of trustees and the senior management team (SMT – Mr A.S. Shakiry, Mr K. Sharifi) are the key management personnel of SCSS, in charge of directing, controlling, running and operating the charity. All trustees give of their time freely and no trustee remuneration was paid in the year.

The trustees' report was approved by the Board of Trustees.



Mr Abdul Shakiry
Trustee

Dated: 27 October 2020



Mr K Sharifi
Trustee

Dated: 27 October 2020

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

I report to the Trustees on my examination of the financial statements of Shakiry Charity for Social Solidarity (the charity) for the year ended 31 December 2019.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Zam Mushtaq Ltd.

Zam Mushtaq Limited

First Floor
2 Woodberry Grove
Finchley
London
N12 0DR
UK

Dated: 27 October 2020

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

		Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	74,985	84,018	159,003	73,780	69,751	143,531
Other income	4	182	-	182	15	-	15
Total income		75,167	84,018	159,185	73,795	69,751	143,546
<u>Expenditure on:</u>							
Raising funds	5	6,294	-	6,294	3,724	-	3,724
Charitable activities	6	61,576	125,000	186,576	73,427	119,000	192,427
Total resources expended		67,870	125,000	192,870	77,151	119,000	196,151
Net income/(expenditure) for the year/							
Net movement in funds		7,297	(40,982)	(33,685)	(3,356)	(49,249)	(52,605)
Fund balances at 1 January 2019		65,375	57,830	123,205	68,731	107,079	175,810
Fund balances at 31 December 2019		72,672	16,848	89,520	65,375	57,830	123,205

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	11		687		504
Current assets					
Debtors	12	26,122		42,345	
Cash at bank and in hand		62,711		80,759	
		<u>88,833</u>		<u>123,104</u>	
Creditors: amounts falling due within one year	13	-		(403)	
Net current assets			88,833		122,701
Total assets less current liabilities			<u>89,520</u>		<u>123,205</u>
Income funds					
Restricted funds			16,848		57,830
Unrestricted funds			72,672		65,375
			<u>89,520</u>		<u>123,205</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2019.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 27 October 2020



Mr Abdul Shakiry
Trustee



Mr K Sharifi
Trustee

Company Registration No. 5354695

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Charity information

Shakiry Charity for Social Solidarity is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 1D, Crusader House, 289 Cricklewood Broadway, London, London, NW2 6NX, UK.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.5 Expenditure

Expenses are included in the financial statements as they become due.

Expenses include VAT where applicable as the company cannot reclaim it.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% on cost
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2019	2019	2019	2018	2018	2018
	£	£	£	£	£	£
Donations and gifts	74,985	84,018	159,003	73,780	69,751	143,531

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

4 Other income

	Unrestricted funds	Total
	2019 £	2018 £
Other income	182	15

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2019 £	2018 £
<u>Fundraising and publicity</u>		
Seeking donations, grants and legacies	3,519	-
Advertising	2,775	3,724
Fundraising and publicity	6,294	3,724
	6,294	3,724

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

6 Charitable activities

	Charitable Expenditure 2019 £	Charitable Expenditure 2018 £
Staff costs	29,017	44,916
Depreciation and impairment	229	1,275
Website Maintenance	11,199	11,158
Rent and rates	13,842	11,042
Premises Insurance	228	211
Electricity charges	1,545	1,153
Printing, postage and stationery	916	673
Telephone	552	991
Cleaning	420	540
Bank and paypal	1,009	180
Sundry expenses	1,131	338
Computer hardware and software costs	438	-
	60,526	72,477
Grant funding of activities (see note 7)	125,000	119,000
Share of governance costs (see note 8)	1,050	950
	186,576	192,427
Analysis by fund		
Unrestricted funds	61,576	73,427
Restricted funds	125,000	119,000
	186,576	192,427
For the year ended 31 December 2018		
Unrestricted funds	73,427	
Restricted funds	119,000	
	192,427	

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2019

7	Grants payable	Charitable Expenditure 2019 £	Charitable Expenditure 2018 £
	Grants to institutions:		
	Al Shakiry Charity - Iraq	125,000	119,000
	-		

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

8 Support costs

	Support costs £	Governance costs £	2019 £	2018 £
Governance Costs	-	1,050	1,050	950
	-	1,050	1,050	950
Analysed between Charitable activities	-	1,050	1,050	950

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Admin	4	5
Employment costs	2019 £	2018 £
Wages and salaries	27,525	43,218
Social security costs	968	1,252
Other pension costs	524	446
	29,017	44,916

There were no employees whose annual remuneration was £60,000 or more.

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

11 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 January 2019	13,227
Additions	411
	<hr/>
At 31 December 2019	13,638
	<hr/>
Depreciation and impairment	
At 1 January 2019	12,722
Depreciation charged in the year	229
	<hr/>
At 31 December 2019	12,951
	<hr/>
Carrying amount	
At 31 December 2019	687
	<hr/>
At 31 December 2018	504
	<hr/>

12 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Other debtors	26,122	42,345
	<hr/>	<hr/>

13 Creditors: amounts falling due within one year

	2019 £	2018 £
Other taxation and social security	-	225
Other creditors	-	178
	<hr/>	<hr/>
	-	403
	<hr/>	<hr/>

14 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £524 (2018 - £446).

SHAKIRY CHARITY FOR SOCIAL SOLIDARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

15 Analysis of net assets between funds

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Unrestricted funds 2018 £	Restricted funds 2018 £	Total 2018 £
Fund balances at 31 December 2019 are represented by:						
Tangible assets	687	-	687	504	-	504
Current assets/ (liabilities)	71,985	16,848	88,833	122,701	-	122,701
	72,672	16,848	89,520	123,205	-	123,205

16 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).