

Salahuddin Trust
Unaudited Financial Statements
31 December 2020

SIDIKIES
Chartered accountants
1 Sun Street
Finsbury Square
London
EC2A 2EP

Salahuddin Trust

Financial Statements

Year ended 31 December 2020

EC2A 2EP

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	3
Statement of financial activities	4
Statement of financial position	5
Notes to the financial statements	6
The following pages do not form part of the financial statements	
Detailed statement of financial activities	13
Notes to the detailed statement of financial activities	14

Salahuddin Trust**Trustees' Annual Report****Year ended 31 December 2020**

EC2A 2EP

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name Salahuddin Trust

Charity registration number 1067570

Principal office 1 Norfolk Place
W2 1QN
London

The trustees

Mr Sarhank Kader
Mr Emin Kheder
Mr Kamal A K Hammad
Mr Nejat Amin
Mr Sameer Majeed
Mr Omar Kadir (Appointed 1 October 2021)
Mr Ahmed Nejat Amin (Appointed 1 October 2021)
Mr Ahmed Kamal Hammad (Appointed 1 October 2021)
Mr Saman Abbas (Appointed 1 October 2021)
Mr Mohammad Abbas (Appointed 1 October 2021)
Mr Rahail Kader (Appointed 1 October 2021)

Independent examiner Sidikies Chartered Accountants
1 Sun Street
Finsbury Square
London
EC2A 2EP

Structure, governance and management**Structure:**

This charity is governed by a trust deed dated 26th April 1997.

Recruitment:

The charity takes into account experience, qualification and dedication to charitable causes when recruiting and appointing new trustees.

The trustees have assessed the major risks to which the charity are exposed and are satisfied that systems are in place to mitigate exposure to these risks.

Objectives and activities

To serve the Kurdish community and the muslim community at large by providing prayer facilities, helping to alleviate poverty, and providing a Centre for Islamic social activities such as marriage ceremonies and Eid parties.

Salahuddin Trust

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Achievements and performance

The charity's activities remained similar to those undertaken in the previous year and the trustees do not consider any significant changes to the charity's future activities.

Financial review

Financial Review:

The charity's net (outgoing) / incoming resources for the year were (£54,986) (2019: £11,986).

Reserves policy:

The trustees have examined the requirement for free reserves, which are those unrestricted funds not invested in fixed assets. The trustees consider that the current level of free reserves of £1,647,607 (2019: £1,702,593) are sufficient to meet the ongoing costs of the charity.

Statement of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The trustees' annual report was approved on 19 October 2021 and signed on behalf of the board of trustees by:

Mr Sarhank M Kader
Trustee

Salahuddin Trust

Independent Examiner's Report to the Trustees of Salahuddin Trust

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of Salahuddin Trust ('the charity') for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

I have completed my examination. I confirm that no material 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 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Amir Siddiqi, FCCA, FCA
Sidikies Chartered Accountants
Independent Examiner

1 Sun Street
Finsbury Square
London
EC2A 2EP

Salahuddin Trust

Statement of Financial Activities

Year ended 31 December 2020

		2020		2019
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	4	20,491	20,491	91,704
Other income	5	11,085	11,085	—
Total income		<u>31,576</u>	<u>31,576</u>	<u>91,704</u>
Expenditure				
Expenditure on charitable activities	6,7	86,562	86,562	103,690
Total expenditure		<u>86,562</u>	<u>86,562</u>	<u>103,690</u>
Net expenditure and net movement in funds		<u>(54,986)</u>	<u>(54,986)</u>	<u>(11,986)</u>
Reconciliation of funds				
Total funds brought forward		1,702,593	1,702,593	1,714,579
Total funds carried forward		<u>1,647,607</u>	<u>1,647,607</u>	<u>1,702,593</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 6 to 11 form part of these financial statements.

Salahuddin Trust

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	12	1,696,305	1,734,978
Current assets			
Debtors	13	—	645
Cash at bank and in hand		22,134	39,082
		22,134	39,727
Creditors: amounts falling due within one year	14	70,832	72,112
Net current liabilities		48,698	32,385
Total assets less current liabilities		<u>1,647,607</u>	<u>1,702,593</u>
Funds of the charity			
Unrestricted funds		1,647,607	1,702,593
Total charity funds	16	<u>1,647,607</u>	<u>1,702,593</u>

These financial statements were approved by the board of trustees and authorised for issue on 19 October 2021, and are signed on behalf of the board by:

Mr Sarhank M Kader
Trustee

The notes on pages 6 to 11 form part of these financial statements.

Salahuddin Trust

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 1 Norfolk Place, W2 1QN, London.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Income from donations is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Salahuddin Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2% straight line
Plant and machinery	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Salahuddin Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations	20,491	20,491	91,704	91,704

5. Other income

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Other income	11,085	11,085	—	—

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Charitable activities	56,814	56,814	57,575	57,575
Support costs	29,748	29,748	46,115	46,115
	86,562	86,562	103,690	103,690

Salahuddin Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

7. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2020	Total fund 2019
	£	£	£	£
Charitable activities	56,814	28,334	85,148	92,725
Governance costs	–	1,414	1,414	10,965
	<u>56,814</u>	<u>29,748</u>	<u>86,562</u>	<u>103,690</u>

8. Analysis of support costs

	Analysis of support costs	Total 2020	Total 2019
	£	£	£
Staff costs	28,057	28,057	33,414
Premises	–	–	977
Finance costs	277	277	759
Governance costs	1,165	1,165	10,965
	<u>29,499</u>	<u>29,499</u>	<u>46,115</u>

9. Net expenditure

Net expenditure is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	<u>38,673</u>	<u>39,134</u>

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	27,885	32,857
Social security costs	–	214
Employer contributions to pension plans	172	343
	<u>28,057</u>	<u>33,414</u>

The average head count of employees during the year was 5 (2019: 2).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity were received by the trustees.

Salahuddin Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

12. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost				
At 1 January 2020 and 31 December 2020	<u>1,864,310</u>	<u>11,912</u>	<u>15,716</u>	<u>1,891,938</u>
Depreciation				
At 1 January 2020	134,877	7,892	14,191	156,960
Charge for the year	<u>37,287</u>	<u>1,005</u>	<u>381</u>	<u>38,673</u>
At 31 December 2020	<u>172,164</u>	<u>8,897</u>	<u>14,572</u>	<u>195,633</u>
Carrying amount				
At 31 December 2020	<u>1,692,146</u>	<u>3,015</u>	<u>1,144</u>	<u>1,696,305</u>
At 31 December 2019	<u>1,729,433</u>	<u>4,020</u>	<u>1,525</u>	<u>1,734,978</u>

13. Debtors

	2020 £	2019 £
Other debtors	<u>—</u>	<u>645</u>

14. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,436	2,083
Social security and other taxes	776	659
Net wages	620	1,320
Other creditors	<u>68,000</u>	<u>68,050</u>
	<u>70,832</u>	<u>72,112</u>

15. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £172 (2019: £343).

Salahuddin Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

16. Analysis of charitable funds

Unrestricted funds

	At 1 January 2020 £	Income £	Expenditure £	At 31 December 2020 £
General funds	<u>1,702,593</u>	<u>31,576</u>	<u>(86,562)</u>	<u>1,647,607</u>

	At 1 January 2019 £	Income £	Expenditure £	At 31 December 2019 £
General funds	<u>1,714,579</u>	<u>91,704</u>	<u>(103,690)</u>	<u>1,702,593</u>

17. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2020 £
Tangible fixed assets	1,696,305	1,696,305
Current assets	22,134	22,134
Creditors less than 1 year	<u>(70,832)</u>	<u>(70,832)</u>
Net assets	<u>1,647,607</u>	<u>1,647,607</u>

	Unrestricted Funds £	Total Funds 2019 £
Tangible fixed assets	1,734,978	1,734,978
Current assets	39,727	39,727
Creditors less than 1 year	<u>(72,112)</u>	<u>(72,112)</u>
Net assets	<u>1,702,593</u>	<u>1,702,593</u>

Salahuddin Trust

Management Information

Year ended 31 December 2020

The following pages do not form part of the financial statements.

Salahuddin Trust

Detailed Statement of Financial Activities

Year ended 31 December 2020

	2020 £	2019 £
Income and endowments		
Donations and legacies		
Donations	20,491	91,704
Other income		
Other income	11,085	—
Total income	31,576	91,704
Expenditure		
Expenditure on charitable activities		
Wages and salaries	27,885	32,857
Employer's NIC	—	214
Pension costs	172	343
Rent	—	525
Rates and water	1,839	3,010
Light and heat	7,222	7,450
Repairs and maintenance	—	977
Insurance	4,120	3,850
Legal and professional fees	1,414	10,965
Telephone	1,097	1,178
Depreciation	38,673	39,135
Bank charges	277	759
General expenses	2,613	1,177
Service charges	1,250	1,250
	86,562	103,690
Total expenditure	86,562	103,690
Net expenditure	(54,986)	(11,986)

Salahuddin Trust

Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2020

	2020 £	2019 £
Expenditure on charitable activities		
Charitable activities		
<i>Activities undertaken directly</i>		
Rent	–	525
Rate & water	1,839	3,010
Light & heat	7,222	7,450
Insurance	4,120	3,850
Telephone & internet	1,097	1,178
Depreciation	38,673	39,135
General expenses	2,613	1,177
Service charges	1,250	1,250
	<u>56,814</u>	<u>57,575</u>
<i>Support costs</i>		
Staff - Wages & Salaries	27,885	32,857
Support charitable activity 1 - employer's NIC	–	214
Pension costs	172	343
Repair and Maintenance	–	977
Bank Charges	277	759
	<u>28,334</u>	<u>35,150</u>
Governance costs		
Governance costs - accountancy fees	250	–
Legal and other professional fees	1,164	10,965
	<u>1,414</u>	<u>10,965</u>
	<u>86,562</u>	<u>103,690</u>
Expenditure on charitable activities	<u>86,562</u>	<u>103,690</u>