

Salahuddin Trust
Unaudited Financial Statements
31 December 2021

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

Salahuddin Trust

Financial Statements

Year ended 31 December 2021

	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 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

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

Independent examiner Amir Siddiqi, FCCA, FCA
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 2021

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 (£15,270) (2020: £54,986).

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 £1,632,337 (2020: £1,647,607) 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 11 October 2022 and signed on behalf of the board of trustees by:

Mr Sarhank Kader
Trustee

Salahuddin Trust

Independent Examiner's Report to the Trustees of Salahuddin Trust

Year ended 31 December 2021

I report to the trustees on my examination of the financial statements of Salahuddin Trust ('the charity') for the year ended 31 December 2021.

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
Independent Examiner

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

Salahuddin Trust

Statement of Financial Activities

Year ended 31 December 2021

		2021		2020
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	4	67,597	67,597	20,491
Other income	5	6,636	6,636	11,085
Total income		<u>74,233</u>	<u>74,233</u>	<u>31,576</u>
Expenditure				
Expenditure on charitable activities	6,7	88,066	88,066	86,562
Total expenditure		<u>88,066</u>	<u>88,066</u>	<u>86,562</u>
Net expenditure and net movement in funds		<u>(13,833)</u>	<u>(13,833)</u>	<u>(54,986)</u>
Reconciliation of funds				
Total funds brought forward		1,647,607	1,647,607	1,702,593
Total funds carried forward		<u>1,633,774</u>	<u>1,633,774</u>	<u>1,647,607</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 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	12	1,657,979	1,696,305
Current assets			
Cash at bank and in hand		45,975	22,134
Creditors: amounts falling due within one year	13	70,180	70,832
Net current liabilities		24,205	48,698
Total assets less current liabilities		<u>1,633,774</u>	<u>1,647,607</u>
Funds of the charity			
Unrestricted funds		1,633,774	1,647,607
Total charity funds	15	<u>1,633,774</u>	<u>1,647,607</u>

These financial statements were approved by the board of trustees and authorised for issue on 11 October 2022, and are signed on behalf of the board by:

Mr Sarhank 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 2021

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 2021

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 2021

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 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations	67,597	67,597	20,491	20,491

5. Other income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Other income	6,636	6,636	11,085	11,085

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Charitable activities	56,080	56,080	56,814	56,814
Support costs	31,986	31,986	29,748	29,748
	88,066	88,066	86,562	86,562

Salahuddin Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

7. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2021	Total fund 2020
	£	£	£	£
Charitable activities	56,080	30,788	86,868	85,148
Governance costs	—	1,198	1,198	1,414
	<u>56,080</u>	<u>31,986</u>	<u>88,066</u>	<u>86,562</u>

8. Analysis of support costs

	Analysis of support costs	Analysis of support costs activity 2	Total 2021	Total 2020
	£	£	£	£
Staff costs	30,228	—	30,228	28,057
Finance costs	560	—	560	277
Governance costs	898	300	1,198	1,165
	<u>31,686</u>	<u>300</u>	<u>31,986</u>	<u>29,499</u>

9. Net expenditure

Net expenditure is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	<u>38,326</u>	<u>38,673</u>

10. Staff costs

The average head count of employees during the year was 5 (2020: 5).

No employee received employee benefits of more than £60,000 during the year (2020: 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 2021

12. Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost				
At 1 January 2021 and 31 December 2021	<u>1,864,310</u>	<u>11,912</u>	<u>15,716</u>	<u>1,891,938</u>
Depreciation				
At 1 January 2021	172,164	8,897	14,572	195,633
Charge for the year	<u>37,286</u>	<u>754</u>	<u>286</u>	<u>38,326</u>
At 31 December 2021	<u>209,450</u>	<u>9,651</u>	<u>14,858</u>	<u>233,959</u>
Carrying amount				
At 31 December 2021	<u>1,654,860</u>	<u>2,261</u>	<u>858</u>	<u>1,657,979</u>
At 31 December 2020	<u>1,692,146</u>	<u>3,015</u>	<u>1,144</u>	<u>1,696,305</u>

13. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	—	1,436
Social security and other taxes	878	776
Net wages	1,181	620
Other creditors	68,000	68,000
Other creditors	<u>121</u>	<u>—</u>
	<u>70,180</u>	<u>70,832</u>

14. 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 £86 (2020: £172).

Salahuddin Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

15. Analysis of charitable funds

Unrestricted funds

	At 1 Jan 2021	Income	Expenditure	At 31 Dec 2021
	£	£	£	£
General funds	<u>1,647,607</u>	<u>74,233</u>	<u>(88,066)</u>	<u>1,633,774</u>

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

16. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2021
	£	£
Tangible fixed assets	1,657,980	1,657,980
Current assets	45,975	45,975
Creditors less than 1 year	<u>(71,618)</u>	<u>(71,618)</u>
Net assets	<u>1,632,337</u>	<u>1,632,337</u>

	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>

Salahuddin Trust

Management Information

Year ended 31 December 2021

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

Salahuddin Trust

Detailed Statement of Financial Activities

Year ended 31 December 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Donations	<u>67,597</u>	<u>20,491</u>
Other income		
Other income	<u>6,636</u>	<u>11,085</u>
Total income	<u>74,233</u>	<u>31,576</u>
Expenditure		
Expenditure on charitable activities		
Wages and salaries	30,035	27,885
Employer's NIC	107	—
Pension costs	86	172
Rates and water	3,158	1,839
Light and heat	7,875	7,222
Insurance	4,308	4,120
Legal and professional fees	1,198	1,414
Telephone	1,096	1,097
Depreciation	38,326	38,673
Interest on bank loans and overdrafts	560	277
General expenses	67	2,613
Service charges	<u>1,250</u>	<u>1,250</u>
	<u>88,066</u>	<u>86,562</u>
Total expenditure	<u>88,066</u>	<u>86,562</u>
Net expenditure	<u>(13,833)</u>	<u>(54,986)</u>

Salahuddin Trust

Notes to the Detailed Statement of Financial Activities

Year ended 31 December 2021

	2021 £	2020 £
Expenditure on charitable activities		
Charitable activities		
<i>Activities undertaken directly</i>		
Rate & water	3,158	1,839
Light & heat	7,875	7,222
Insurance	4,308	4,120
Telephone & internet	1,096	1,097
Depreciation	38,326	38,673
General expenses	67	2,613
Service charges	1,250	1,250
	<u>56,080</u>	<u>56,814</u>
<i>Support costs</i>		
Staff - Wages & Salaries	30,035	27,885
Support charitable activity 1 - employer's NIC	107	—
Pension costs	86	172
Bank Charges	560	277
	<u>30,788</u>	<u>28,334</u>
Governance costs		
Governance costs - accountancy fees	300	250
Legal and other professional fees	898	1,164
	<u>1,198</u>	<u>1,414</u>
	<u>88,066</u>	<u>86,562</u>
Expenditure on charitable activities	<u>88,066</u>	<u>86,562</u>