

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021  
FOR  
ASH SHIFA**

SKM Chartered Accountants  
Pegasus House  
5 Winckley Court  
Mount Street  
Preston  
Lancashire  
PR1 8BU

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FOR THE YEAR ENDED 31 AUGUST 2021**

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**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

1. To advance the religion of Islam through the dissemination of knowledge to Muslims and Non-Muslims.
2. The advancement of education, in particular for young people of all religions and ethnic backgrounds.
3. To help young people develop their physical, mental, spiritual and moral capacities so they mature as individuals with opportunities to excel in society.

**Volunteers**

Many volunteers give up their time to help out the charity, particularly at the weekends and the evenings to help with improving the school in all areas. We are greatly indebted to these volunteers for their commitment and support.

**ACHIEVEMENT AND PERFORMANCE**

**Main activities**

Over this year we were engaged in the following activities:

**Seminars**

We organised 20 seminars on various topics. These were open to all members of the community and attracted just over 2000 attendees. These seminars were focused on educating the attendees on specific aspects of faith and allowed them to ask questions. The topics varied to maximise interest however there was always an attempt to link the topics and the prevalent discussion points in the community, thus providing clarification on such matters and an opportunity to ask questions regarding contemporary matters.

**Burdah Nights**

These events allowed participants to engage with the Islamic traditions of poetry, singing and praise. As part of an attempt to diversify our provision, we organised such events that moved away from academic pursuits towards the artistic. This important facet of Islamic spirituality appealed to people of all ages and allowed them to engage in a much more relaxed environment.

**Visit to Islamic Religious Sites**

Our aim is to take a group of students to visit Islamic religious sites at least once in the year. This is to educate interested students in Islamic history. We understand field trips can help students to appreciate the history they study in the classroom better and ignite further interest. This year we visited sites of interest in Istanbul, including historic Mosques, shrines, relics, palaces, historic artefacts and much more.

**Retreats**

We offer religious retreats to help with spiritual as well as academic achievement, typically lasting 5-7 days. The retreat allows students to disconnect from the distractions of everyday life and focus efforts on learning the Islamic sciences as well as working on spiritual development. Our provision aims to facilitate for all in the community, so sometimes the retreat is local and other times it is further away. There is also variety in terms of teaching staff, we tend to have a number of teachers with different teaching styles and variant backgrounds.

**FINANCIAL REVIEW**

**Reserves policy**

The General fund represents funds arising from past operating results. The trustees are satisfied that the balance of the fund will enable the charity to meet its objectives and will be able to look into possible other venues in regards to possible permanent replacement premises. The trustees have also examined the requirement to maintain reserves for the on going work of the charity and concluded that the most appropriate level is between 3 to 6 months of operational expenditure.

## **ASH SHIFA**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021**

#### **FINANCIAL REVIEW**

##### **Statement of Trustees' Responsibilities**

The law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity financial activities during the year and of its financial position at the year-end. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with applicable law, regulations and trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention of fraud and other irregularities.

#### **FUTURE PLANS**

We plan to consolidate our current success and make our services available to a wider range of people. We also plan to look into further projects which will help us to fulfil our aims and objectives.

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

##### **Governing document**

Ash-Shifa Trust is constituted under a Trust Deed adopted on the 7th February 2003. Ash-Shifa Trust was registered as a charity with the charity commission on the 19th March 2003. (No : 1096585)

##### **Organisational structure**

The charity is managed by the trustees. The details of the current trustees are below:

S.Hussain (General Secretary)  
N.Rashid (Chairman)  
A.Ahmed

The appointment of trustees is governed by the trust deed.

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

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

1096585

##### **Principal address**

12 Country Mews  
Blackburn  
Lancashire  
BB2 7FJ

##### **Trustees**

S Hussain  
N Rashid  
A Ahmed

##### **Independent Examiner**

SKM Chartered Accountants  
Pegasus House  
5 Winckley Court  
Mount Street  
Preston  
Lancashire  
PR1 8BU

**ASH SHIFA**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2021**

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

.....  
N Rashid - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
ASH SHIFA**

**Independent examiner's report to the trustees of Ash Shifa**

I report to the charity trustees on my examination of the accounts of Ash Shifa (the Trust) for the year ended 31 August 2021.

**Responsibilities and basis of report**

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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.

Shamim Mahomed  
SKM Chartered Accountants  
Pegasus House  
5 Winckley Court  
Mount Street  
Preston  
Lancashire  
PR1 8BU

Date: .....

**ASH SHIFA**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	22,419	-	22,419	28,359
Other income		9,603	-	9,603	3,515
<b>Total</b>		32,022	-	32,022	31,874
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	3				
Provision of Services		34,148	-	34,148	55,978
Management & Administration					
		4	-	4	6
<b>Total</b>		34,152	-	34,152	55,984
<b>NET INCOME/(EXPENDITURE)</b>		(2,130)	-	(2,130)	(24,110)
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		15,845	-	15,845	39,955
<b>TOTAL FUNDS CARRIED FORWARD</b>		13,715	-	13,715	15,845

The notes form part of these financial statements

**ASH SHIFA**

**BALANCE SHEET  
31 AUGUST 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	6	101	-	101	144
<b>CURRENT ASSETS</b>					
Debtors	7	200	-	200	99
Cash at bank and in hand		15,262	-	15,262	16,600
		<u>15,462</u>	<u>-</u>	<u>15,462</u>	<u>16,699</u>
<b>CREDITORS</b>					
Amounts falling due within one year	8	(1,848)	-	(1,848)	(998)
<b>NET CURRENT ASSETS</b>		<u>13,614</u>	<u>-</u>	<u>13,614</u>	<u>15,701</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>13,715</u>	<u>-</u>	<u>13,715</u>	<u>15,845</u>
<b>NET ASSETS</b>		<u>13,715</u>	<u>-</u>	<u>13,715</u>	<u>15,845</u>
<b>FUNDS</b>	9				
Unrestricted funds				13,715	15,845
<b>TOTAL FUNDS</b>				<u>13,715</u>	<u>15,845</u>

The financial statements were approved by the Board of Trustees and authorised for issue on ..... and were signed on its behalf by:

.....  
N Rashid - Trustee



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

### 1. ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

#### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

#### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### **Administrative expenditure**

Administrative expenditure comprises all costs incurred in running the charity, which can not be directly allocated, to the charity's projects or to fund-raising.

#### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 10% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 30% on reducing balance

#### **Taxation**

The charity is exempt from tax on its charitable activities.

#### **Fund accounting**

##### **General Funds**

General Funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

##### **Designated Funds**

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds, which are used in accordance with specific restrictions imposed by donors, or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to financial statements.

##### **Endowment Funds**

Endowment Funds represent those assets, which must be held permanently by the charity, principally investments. Income arising from endowment funds can be used in accordance with the objects of the charity and is included as unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment management charges and legal advice relating to the fund are charged against part of the fund.

##### **Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**ASH SHIFA**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**2. DONATIONS AND LEGACIES**

	2021	2020
	£	£
Gifts	-	90
Gift aid donations	22,419	28,269
	<u>22,419</u>	<u>28,359</u>

**3. CHARITABLE ACTIVITIES COSTS**

**TOTAL RESOURCES EXPENDED**

	Generati ng Funds	Provision of Services	Support Costs	Management & Administration	<b>Total 2021 £</b>	<b>Total 2020 £</b>
	£	£	£	£		
Purchases		18,434			18,434	40,189
Rates & Water						
Insurance						
Light & Heat						
Wages & Social Security		13,879			13,879	12,707
Rent						
Telephone						
Postage & Stationery						
Computer Software		2,360			2,360	
Repairs & Renewals						
Room Hire		-2,012			-2,012	2,012
Independent Examiners Fee		1,403			1,403	960
Legal & Professional						
Travel & Subsistence						
Motor Expenses						
Cleaning						
Training Costs						
Subcontractors						
Depreciation		39		4	43	62
Loss on sale of tangible fixed assets						
Sundry Expenses						54
Bank Charges		45			45	
	<u>          </u>	<u>34,148</u>	<u>          </u>	<u>4</u>	<u>34,152</u>	<u>55,984</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**4. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

**5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	28,359	-	28,359
Other income	3,515	-	3,515
<b>Total</b>	31,874	-	31,874
 <b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Provision of Services	55,978	-	55,978
Management & Administration	6	-	6
<b>Total</b>	55,984	-	55,984
<b>NET INCOME/(EXPENDITURE)</b>	(24,110)	-	(24,110)
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	39,955	-	39,955
<b>TOTAL FUNDS CARRIED FORWARD</b>	15,845	-	15,845

**ASH SHIFA**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**6. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 September 2020 and 31 August 2021	-	-	805	805
<b>DEPRECIATION</b>				
At 1 September 2020	1	(1)	661	661
Charge for year	(1)	1	43	43
At 31 August 2021	-	-	704	704
<b>NET BOOK VALUE</b>				
At 31 August 2021	-	-	101	101
At 31 August 2020	(1)	1	144	144

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021 £	2020 £
Tax reclaim	200	99

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

	2021 £	2020 £
Trade creditors	1	(1)
Social security and other taxes	155	148
Other creditors	132	131
Accrued expenses	1,560	720
	1,848	998

**9. MOVEMENT IN FUNDS**

	At 1/9/20 £	Net movement in funds £	At 31/8/21 £
<b>Unrestricted funds</b>			
General fund	15,845	(2,130)	13,715
<b>TOTAL FUNDS</b>	15,845	(2,130)	13,715

**ASH SHIFA**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**9. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	32,022	(34,152)	(2,130)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>32,022</u>	<u>(34,152)</u>	<u>(2,130)</u>

**Comparatives for movement in funds**

	At 1/9/19 £	Net movement in funds £	At 31/8/20 £
<b>Unrestricted funds</b>			
General fund	39,955	(24,110)	15,845
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>39,955</u>	<u>(24,110)</u>	<u>15,845</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	31,874	(55,984)	(24,110)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>31,874</u>	<u>(55,984)</u>	<u>(24,110)</u>

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

	At 1/9/19 £	Net movement in funds £	At 31/8/21 £
<b>Unrestricted funds</b>			
General fund	39,955	(26,240)	13,715
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>39,955</u>	<u>(26,240)</u>	<u>13,715</u>

**ASH SHIFA**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**9. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	63,896	(90,136)	(26,240)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>63,896</u>	<u>(90,136)</u>	<u>(26,240)</u>

**10. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 August 2021.

**ASH SHIFA**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 AUGUST 2021**

	2021 £	2020 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Gifts	-	90
Gift aid donations	22,419	28,269
	<u>22,419</u>	<u>28,359</u>
<b>Other income</b>		
Sundry Receipts	9,603	3,515
	<u>9,603</u>	<u>3,515</u>
<b>Total incoming resources</b>	32,022	31,874
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	13,656	12,532
Pensions	223	175
Computer Software	2,360	-
Purchases	18,434	40,189
Room Hire	(2,012)	2,012
Sundry Expenses	-	54
Accountancy	1,403	960
Computer equipment	43	62
Bank charges	45	-
	<u>34,152</u>	<u>55,984</u>
Total resources expended	34,152	55,984
	<u>34,152</u>	<u>55,984</u>
<b>Net expenditure</b>	<u>(2,130)</u>	<u>(24,110)</u>

This page does not form part of the statutory financial statements