

Charity number
1103493

Dar UI Hadith
Unaudited Report and Financial Statements
for the year ended 31 December 2022

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Registered Office
2 Dudley Street, Manchester, M8 9DA

Dar UI Hadith

The report of the trustees

The trustees present their report and accounts for the year ended 31 December 2022.

Name, registered office and constitution of the organisation

The full name of the unincorporated charity is Dar UI Hadith.

The non-profit organisation was formed on:	28/04/2004
The organisation is a registered charity.	Number 1103493
The registered office is:	2 Dudley Street, Manchester, M8 9DA
The telephone number is:	1613171481

The Objects of the organisation and how it is attempting to achieve the objectives

The charity is governed by a written constitution in which its objects are set out .

The objectives and restrictions in the activities of the charity imposed by its governing documents are:

- (a) to promote the furtherance of the knowledge of Allah (God) as portrayed in the authentic sources of Islam via structured teachings and education.
- (b) to providing facilities for the local community in practicing Islam and improving mental health.
- (c) to provide charitable support by donating to other organisations or communities (national and international) in the furtherance of islamic education and fighting poverty.

Objectives achieved in the year, a review of activities and significant changes and developments and plans for the future

The board of trustees are satisfied with the performance of the organisation during the year and the position at 31st December 2022 and consider that the charity is in a strong position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations.

The particular ways in which objectives have been achieved are describe below

Achievement of objectives and review of activities

The charity has achieved its objective of continuing to highlight the importance of sports and health education to the Community by:

- * Addressing the under performance of education in youths.
- * Encouraging activities and delivering food to the poorer members of the community.
- * Carried out information sessions on immigration and legal matters.
- * Continued to operate "drop in information centre" for the local community.

Significant changes and developments and plans for the future

Important developments during the period included the support from local community.

The charity will continue to support the community and children who require education and help improve their environment through various activities advocated by Islam.

The organisational structure and how decisions are made

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity. The charity constituted by the Trust Deed dated 26 December 2013

Trustees and local community meet regularly (the intention is quarterly) to discuss and plan objectives and implementation thereof. Matters of general concern are raised with all members .

Method of election of the members of the board of trustees

The members, who are Trustees are elected and co-opted each year under the terms of the Trust Deed.

Relationships with other groups, charities and individuals

The organisation works closely with the local authorities and Partnership Agencies around Manchester in order to address under representation and support the retention of ethnic minorities.

Details of related parties and transactions with related parties

There were no transactions with related parties.

Transactions and Financial position

The financial accounts are set out on pages 6 to 11.

The financial statements have been prepared implementing the Charities Act 2011 issued by the Charity Commission for England and Wales and in accordance with the Financial Reporting Standard 102 and Charities SORP.

The trustees consider the financial performance by the organisation during the year has been satisfactory.

The Statement of Financial Activities show net outgoing resources for the year of a revenue expenditure nature of £437,560 (expenses) and net realised incoming resources of a £395,501 (income).

The total reserves at the year end stand at £81,138 (accumulated funds c/f).

Availability and adequacy of assets of each of the funds

The board of trustees is satisfied that the organisation's assets are available and adequate to fulfil its obligations.

Policies on reserves, investment policies and investment performance

The trustees have resolved to establish reserves to provide for future activities, and the trustees estimate the reserves shall cover any emergency for three to six months.

The grant making policies

The intention is to utilise the income from the funds to make grants and donations to various charities and causes known to the Trustees or in respect of which Trustees may receive specific applications. In certain cases capital sums may be distributed as well to good causes.

The major risks to which the organisation is exposed and reviews and systems to mitigate risks

The organisation is exposed to risks involved in fundraising because its activities are supported by the local community, grants and donations. There are no investment risks.

1. Financial

The organisation is open to the usual financial risks of any organisation, and it has introduced controls to minimise these risks, such as two signatures being required for payments from the bank account. In addition, the accounts are regularly explained to members of the charity and are open for member's inspection at any time.

2. Other

Work with the public is open to risks. The policy is that visits and counselling is done in pairs or groups. New applications are vetted and any problems discussed.

Legal Status

The organisation is an unincorporated charity governed by a written constitution adopted by its members. There are restrictions in the way it is governed and operates.

The members of the Board of Trustees during the year ended were:

- 1) David Anthony Stonehouse
- 2) Imadeddeen Almenghawi
- 3) Paul Richard M Maiden

We wish to thank all committee members and staff team who served the charity during the year.

Bankers

Lloyds Bank, Manchester

Independent Examiners under the Charities Act and details of their qualifications

Shahbaz Munir (FCCA)
Adam & Co Accountancy Ltd
Chartered Certified Accountants

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 Generally Accepted Accounting Practice. The trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- * Select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * observe the methods and principles in the Charities SORP;

- * state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;

- * Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue to operate.

The trustees are also responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the organisation and which enable them to ascertain the financial position of the organisation and enable them to ensure that the financial statements comply with the requirements of applicable law and regulations (Charities Act 2011 and SORP). They are also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions in the Charities Act 2011 and SORP applicable to charities subject to the small entities regime.

This report was approved by the board of trustees on 12/10/2023

Dar Ul Hadith
Independent Examiner's Report

Report of the Independent Examiner to the Trustees
on the accounts of the Charity for the year ended 31 December 2022

Respective responsibilities of trustees and examiner

The trustees (who are also the administrators of the charity for the purposes of charity law) are responsible for the preparation of the accounts.

The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

examine the accounts under section 145 of the Charities Act, to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records.

It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters.

The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention to indicate that:

- accounting records have not been kept in accordance with Charities Act 2011
- the accounts do not accord with such records:
- where accounts are prepared on an accruals basis, whether they fail to comply with relevant accounting requirements and, or are not consistent with the Charities SORP (FRS102)
- any matter which the examiner believes should be drawn to the attention of the reader to gain a proper understanding of the accounts.

Mr Shahbaz Munir (FCCA)

Adam & Co Accountancy Ltd

Chartered Certified Accountants

This report was approved by the Independent Examiner on..... 12/10/2023

Dar Ul Hadith
Statement of Financial Activities
for the year ended 31 December 2022

		Unrestricted Funds	Restricted Funds	Total Funds	Prior Period Total Funds
	Notes	2022 £	2022 £	2022 £	2021 £
Incoming Resources					
Grants, Legacies and Donations		395,501	-	395,501	391,148
Total Incoming Resources		395,501	-	395,501	391,148
Less: Costs of raising and generating funds		364,586	-	364,586	353,939
Net Incoming Resources available for charitable applications	A	30,915	-	30,915	37,209
Less: Resources expended					
Management and administration of the charity		72,974	-	72,974	50,757
Total Resources expended	B	72,974	-	72,974	50,757
Net Incoming Resources before Transfers (ie Total A minus Total B)	C	(42,059)	-	(42,059)	(13,548)
Gross Transfers between funds :-	13	-	-	-	-
Net Incoming Resources before revaluations and investment asset disposals		(42,059)	-	(42,059)	(13,548)
Net Movement in funds (deficit)/surplus		(42,059)	-	(42,059)	(13,548)
Total funds brought forward	(previous years)	123,197	-	123,197	136,745
Total funds carried forward	(current years)	81,138	-	81,138	123,197
		-	-	-	-

The net movement in funds referred to above is the net incoming resources as defined in the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales and is reconciled to the total funds as shown in the Balance Sheet as required by the said Statement.

All activities derive from continuing operations

The notes and schedule to the Statement of Financial Activities on pages 8 to 11 form an integral part of these accounts

Dar Ul Hadith
Statement of Financial Activities
for the year ended 31 December 2022

Statement of Total Recognised Gains and Losses
for the year ended 31 December 2022

	2022	2021
	£	£
Excess of Expenditure over income before realisation of assets	(42,059)	(13,548)
Net Movement in funds before taxation	(42,059)	(13,548)

There were no recognised gains or losses for the year or the prior year that are not included above.

Movements in revenue and capital funds
for the year ended 31 December 2022

Revenue accumulated fund	Unrestricted Funds	Restricted Funds	Total Funds	Last year Total Funds
	2022	2022	2022	2021
	£	£	£	£
Accumulated fund brought forward	123,197	-	123,197	136,745
Recognised gains and losses	(42,059)	-	(42,059)	(13,548)
Closing Accumulated fund	81,138	-	81,138	123,197

Summary of funds	Designated Funds	Unrestricted Funds	Restricted Funds	Total Funds	Last year Total Funds
	2022	2022	2022	2022	2019
	£	£	£	£	£
Revenue funds	-	81,138	-	81,138	123,197
Total funds	-	81,138	-	81,138	123,197

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

The notes and schedule to the Statement of Financial Activities on pages 8 to 11 form an integral part of these accounts

Dar UI Hadith
Balance Sheet
as at 31 December 2020

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	8	30,609	38,260
Current assets			
Debtors	9	7,328	6,093
Cash at bank and in hand	11	44,834	84,954
		<u>52,162</u>	<u>91,047</u>
Creditors:			
amounts due within one year	10	<u>(1,633)</u>	<u>(6,110)</u>
		<u>(1,633)</u>	<u>(6,110)</u>
Net current assets		50,529	84,937
Net assets		<u>81,138</u>	<u>123,197</u>
Capital and reserves	12		
Unrestricted revenue reserves		81,138	123,197
Accumulated Funds		<u>81,138</u>	<u>123,197</u>
		-	-

The Board of Trustees are satisfied that the organisation is not required to have an audit by virtue of its level of turnover or by virtue of any requirement under its constitution or otherwise.

The Board of Trustees also acknowledge their responsibility for ensuring the organisation keeps proper accounting records in accordance with the requirements of the Charities Act 2011 as more fully set out under 'Trustees' Responsibilities' in the Report of the Trustees.

Approved for signature by the Management Committee on:
12/10/2023

The notes and schedule to the Statement of Financial Activities on pages 8 to 11 form an integral part of these accounts

Dar Ul Hadith
Notes to the Accounts
for the year ended 31 December 2022

1 Accounting policies

Accounts preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities Act 2011.

The charity is entirely dependent on continuing donations and as a consequence the going concern basis is also dependent on the continuing donations.

The particular accounting policies adopted are set out below.

Accounting convention

The financial statements are prepared, on a going concern basis, accrual basis under the historical cost convention as modified by the revaluation of freehold land and buildings and fixed asset investments

Incoming Resources

Incoming resources are accounted for on a receivable basis deferred as described below where appropriate.

Charitable expenditure

Charitable expenditure includes all expenditure directly related to the objects of the charity and comprises the following :-

Costs of raising and generating funds

The costs of raising and generating funds includes fees incurred in respect of management fees.

Grants and donations payable in furtherance of the charity's objectives

Although there is no legal liability to pay any grant or donation to any organisation , and after approval, it is open to the board to withdraw an approval already granted , either before or after payment of a grant or donation,

Activities in furtherance of the charity's objectives

The costs of activities in furtherance of the charity's objectives represents the cost of goods and services and ancillary trading costs that have been incurred in charitable activities.

Management and administration of the charity

Management and administration costs represent expenditure incurred in the management of the charity's assets, organisational administration and compliance with charitable and statutory requirements.

2 Winding up or dissolution of the charity

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

3 Analysis of incoming resources and analysis of management and administration costs

The details required by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales (effective March 2005), are shown in the Statement of Financial Activities and also analysed on page 11.

Dar Ul Hadith
Notes to the Accounts
for the year ended 31 December 2022

4 Donations and income generated in connection with the Charity	2022	2021
	£	£
Included in the various categories of incoming resources- SOFA (See page 11 for analysis of sources of income).	<u>395,501</u>	<u>391,148</u>

5 Costs of activities in furtherance of the charity's objectives	2022	2021
	£	£
Total per analysis by expenditure in the schedule to the SOFA (See page 11 for analysis of sources of expenditure).	<u>437,560</u>	<u>391,148</u>

6 Staff Costs and Emoluments	2022	2021
<i>Included in Costs of goods and services -books</i>	£	£
Gross salaries and wages	212,178	180,336
Pension contributions	<u>468</u>	<u>1,457</u>
	<u>212,646</u>	<u>181,793</u>

Numbers of full time employees or full time equivalents	2022	2021
Engaged on charitable activities	<u>25</u>	<u>25</u>

There were no employees with emoluments in excess of £50,000 per annum

7 Cost of Independent Examiner and accounting services	2022	2021
	£	£
Independent Examiner fees	<u>650</u>	<u>650</u>

Dar Ul Hadith
Notes to the Accounts
for the year ended 31 December 2022

8 Tangible functional fixed assets	Leasehold improvement and building	Computer and office equipment	Plant and machinery	Total
Cost or valuation	£	£	£	£
At 1 Jan.2022	66,840	14,559	8,570	89,969
Additions	-	-	-	-
At 31 Dec.2022	66,840	14,559	8,570	89,969
Depreciation				
At 1 Jan.2022	40,238	6,362	5,109	51,709
Charge for the year	5,094	1,639	918	7,651
At 31 Dec.2022	45,332	8,001	6,027	59,360
Net book value				
At 31 Dec.2022	21,508	6,558	2,543	30,609
At 31 Dec.2021	26,602	8,197	3,461	38,260

All assets are used for direct charitable purposes and there are no inalienable or historic assets.

9a Analysis of assets and liabilities representing each of the charity's funds

At 31 Dec.2022 <i>(Current year as per statements)</i>	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Current Assets (Debtors + Bank)	52,162	-	-	52,162
Current Liabilities (Accruals/ paye)	(1,633)	-	-	(1,633)
	50,529	-	-	50,529
At 31 Dec.2021 <i>(Previous year as per statements)</i>	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Current Assets (Debtors + Bank)	91,047	-	-	91,047
Current Liabilities (Accruals/ paye)	(6,110)	-	-	(6,110)
	84,937	-	-	84,937

9b Debtors	2022	2021
	£	£
Trade and sundry debtors	7,328	6,093

10 Creditors: amounts falling due within one year	2022	2021
	£	£
Accruals and sundry creditors	650	650
PAYE/Salaries	983	5,460
	1,633	6,110

11 Bank balance	2022	2021
	£	£
Balance as per bank statements and cash account	44,834	84,954

12 Capital and reserves	2022	2021
	£	£
Unrestricted revenue reserves	81,138	123,197

13 Related party

The trustees confirm that there were no related party transactions during the period.

Dar Ul Hadith
Schedule to the Statement of Financial Activities
for the year ended 31 December 2022

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total Funds</i>	<i>Unrestricted Total Funds</i>
	2022	2022	2022	2021
	£	£	£	£
Incoming Resources				
Grants, Legacies and Donations				
Donations	75,553	-	75,553	76,931
Quran School	51,597	-	51,597	48,224
Tuition Club	160,216	-	160,216	143,092
Saturday School	38,455	-	38,455	25,318
Zakatul Maal	13,673	-	13,673	14,405
Interest, books, Islamic studies and kids ramadan	3,498	-	3,498	5,488
Zakatul Fitr	1,361	-	1,361	2,018
Fidya	583	-	583	412
Adult Quran/Arabic class	20,726	-	20,726	29,895
Other revenue (summer school)	1,400	-	1,400	-
Government grants (furlough)	28,439	-	28,439	45,365
Total Grants, Legacies & Donations Received	395,501	-	395,501	391,148
Costs of activities in furtherance of the charity's objectives				
Cost of fundraising activities - direct expenses	126,137	-	126,137	129,367
Grants payable in furtherance of the charity's objectives	10,056	-	10,056	28,768
Support costs (salaries and wages)	212,178	-	212,178	180,336
Costs of goods and services - books	8,563	-	8,563	6,735
Depreciation of assets used for charitable purposes	7,652	-	7,652	8,733
	364,586	-	364,586	353,939
Support costs of activities				
Marketing of services	-	-	-	-
Employee costs:				
Pension contributions	468	-	468	1,457
Travel and subsistence	845	-	845	-
Motor Expenses	7,701	-	7,701	2,793
Employer's NI - Administration	6,274	-	6,274	2,732
	15,288	-	15,288	6,982
Premises costs:				
Rates and water	777	-	777	646
Rents and room hire	-	-	-	-
Light, Heat, and other Utilities	10,181	-	10,181	9,726
Cleaning	1,434	-	1,434	1,834
	12,392	-	12,392	12,206
General administrative expenses:				
Telephone and Fax	1,041	-	1,041	1,022
Postage, freight and courier	18	-	18	25
Stationery, subs. and printing	12,149	-	12,149	8,732
Software and IT consumables	4,331	-	4,331	3,325
Repairs and maintenance	13,978	-	13,978	13,049
Sundry expenses	-	-	-	-
Bank charges, stripe and paypal fees	4,295	-	4,295	3,795
	35,812	-	35,812	29,948
Legal and professional costs:				
Bookkeeping and other accounting costs	7,644	-	7,644	-
Legal expenses/ transfers	1,188	-	1,188	971
Independent examiner's fee	650	-	650	650
	9,482	-	9,482	1,621
Total spent on all activities	437,560	-	437,560	404,696
Surplus / (deficit) for the year	(42,059)	-	(42,059)	(13,548)