

**B W FOUNDATION**

**CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2023**

**B W FOUNDATION**  
**(A company limited by guarantee)**

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<b>Charity Trustees</b>	Mr R Esmail Dr N Merali Mr M Versi Mrs M Manji Dr M Asaria Mr M Walji	Pharmacist Medical Practitioner Retired Director Medical Practitioner Accountant
<b>Charity number</b>	1121549	
<b>Company number</b>	06324340	
<b>Principal address</b>	336 Pinner Road Harrow Middlesex HA1 4LB	
<b>Auditor</b>	Deitch Cooper LLP 1 <sup>st</sup> Floor, 3 Hobbs House Harrovia Business Village Bessborough Road Harrow Middlesex HA1 3EX	
<b>Bankers</b>	Habib Bank Zurich PLC 377 Station Road Harrow Middlesex HA1 3EX	
<b>Solicitors</b>	Blake Lapthorn Tarlo Lyons Harbour Court Compass Road North Harbour Portsmouth PO6 4ST	

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**B W FOUNDATION**

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# **B W FOUNDATION**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 JULY 2023***

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The Trustees present their annual report and the consolidated financial statements for the year ended 31 July 2023. The legal and administrative information page forms a part of this report.

The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts 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) (effective 1 January 2019).

### **OBJECTIVES AND ACTIVITIES**

#### **Our aims**

The aims of the charity are set out in the charity's Memorandum and Articles of Association and are summarised:

- Relief of poverty and famine, the safeguarding of health and for the advancement of education.
- Furtherance of religion and other purposes anywhere in the world which are charitable according to the laws of England and Wales.

#### **Our objectives**

Our objectives are set to reflect our aims. Each year the trustees review our objectives and activities to ensure they continue to reflect our aims.

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

#### **Strategies**

The charity assists others within the UK and worldwide for the relief of need and financial hardship and those who have insufficient resources to cover their basic needs for shelter, food, clothing or who are destitute with no means of support.

An important part of our strategy is community welfare and education. All our community facilities and activities are widely advertised, and we welcome the participation of all our local community. All activities are free to the users and are supported by donations.

#### **How our activities deliver public benefits**

The charity carries out a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities, summarised below, provide benefit to the local community.

#### **Achievements and Performance**

In order to meet the objectives, the Trustees carried out several activities and are pleased to report the following achievements:

- Regular faith-based occasions on a weekly and seasonal basis at the Centre
- Interfaith sessions to discuss various faith and ideological issues.

The phase 2 construction of the Salaam centre has now commenced however additional funding is needed to complete this phase of the project.

# B W FOUNDATION

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 JULY 2023

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#### Financial Review

The Statement of Financial Activities shows net income for the year of £1,314,927 (2022: £1,231,820). This includes a fair value revaluation loss of £143,000 on revaluing the Group's investment property (2022: £91,380 gain). This movement was due to housing market fluctuations occurring around the year end date. The value is expected to rise in the foreseeable future. Total funds at 31 July 2023 stand at £14,490,237 (2022: £13,175,310) of which £2,195,635 (2022: 3,382,281) are restricted funds and £12,294,602 (2022: £9,793,029) are unrestricted funds. The Trustees consider the state of the charity's affairs to be satisfactory.

#### Grants Policy

We are committed to working in partnership with other UK Charities through a grant-making approach. Grants to partner organisations are made within our agreed strategies. Project proposals are subject to formal approval process before individual grants are approved. All projects are systematically monitored for the duration of their existence.

#### Fundraising

Fundraising by way of Standing Orders, one-off donations from within the community, UK and overseas Muslims and non-Muslims, as well as Organisations. The Foundation does raise funds publicly, through advertising and sponsoring events, utilising opportunities to promote The Salaam Centre where possible. There were no complaints in the year towards the fund raising strategies. The Foundation adheres to the fundraising regulatory codes.

All our fundraising is carried out by our trustees who have approached people in the community and known to them. Appeals are only made to known supporters and with the consent to keep the donors updated. Our services and other programmes are broadcast live, by video stream, to maintain the continuity and contact with the wider public.

#### Reserves policy

Currently the charity is undergoing a major capital build project, and all funds are raised towards the build.

Once completed, the trustees will aim to keep 12 months operational costs of this Centre in free reserves. The value of the free reserves over the next 12 months is expected to be £20,000 per month compared to operation cost of £15,000 per month over next 12 months.

#### Risk Management

The trustees have assessed the risk the charity faces and have drawn up a risk matrix which identifies the major risks by area of activity, the nature of those risks, the likelihood of the risks happening and the measures taken to manage them. The trustees review this risk matrix regularly at their meetings. The trustees are satisfied that systems are in place, or arrangements are in hand, to manage the risks that have been identified.

#### The key risks identified by the trustees are as follows:

##### Risk

Delay in the phase 2 construction of Salaam centre. The construction has restarted.

##### Mitigation

The trustees constantly monitor finances to ensure that the charity does not over commit.

##### Risk

Interest rate increase that may impact the charity in future borrowings.

##### Mitigation

Constant monitor of cash flow projections with fixed interest borrowing to ensure all repayments are managed well.

##### Risk

Increase in cost of materials for construction.

##### Mitigation

Fixed fee contracts are entered into at inception of each phase with known costs.

#### Future plans

In addition to the aims and objectives above, the Charity has additional objectives over the forthcoming year: Building The Salaam Centre to accommodate the growing number of members who attend the community Centre.

# **B W FOUNDATION**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 JULY 2023**

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

##### **Governing document**

BW Foundation is registered in England and Wales as a company limited by guarantee, number 06324340 and Registered charity number 1121549. It is governed by the Charity's Memorandum and Articles of Association.

##### **Organisation structure**

We operate an incorporated charity ("BW Foundation") registered with the Charity Commission for England and Wales and with Companies House. The charity has one wholly owned subsidiary, BWF Development Company Limited, which carries out the development of the Salaam Centre. Three of the Trustees of the charity also serve as directors of BWF Development Co Limited. None of the Trustees or Directors or any related party receive any remuneration for the services provided.

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

Mr. R Esmail

Dr N Merali

Mrs. M Manji

Dr M Asaria

Mr. M Versi (appointed 5 November 2023)

Mr. M Walji (appointed 5 November 2023)

Mr. K Versi (resigned 5 November 2023)

Mr. M Versi (resigned 12 September 2022)

##### **Recruitment and appointment of trustees**

The trustees are elected in accordance with the Charity's Memorandum and Articles at the Annual General meeting of the Charity. At an Annual General Meeting the members accept the retirement of those trustees who wish to retire or who are retiring by rotation and elect trustees to fill the vacancies arising. The members of the charity are the existing trustees and the Councillors of the Shi'a Ithna Ashary Community of Middlesex.

The existing trustees are responsible for the recruitment of new trustees. In selecting new trustees, we seek to identify people who regularly attend events and functions organised by the Charity and are willing to volunteer to help in our broader community work. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities and if all agree, they are then proposed as new trustees at the subsequent annual general meeting of the Charity. This process allows due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

##### **Induction and training of trustees**

The trustees receive information about their role and responsibilities from a range of sources, including the Charity Commission and professional advisers to the Charity. Following appointment, new trustees are introduced to their new role and given copies of the constitution and a guide to policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided including the guidance on charities and public benefits and on advancement of religion for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with existing trustees assisting on particular activities and projects run by the charity. After satisfactory feedback from the existing trustees, they are then given the task of leading a particular activity or project, reporting progress at the trustees' meetings.

##### **Volunteers**

It has been an extraordinary year for volunteers. We have been heartened by the resilience of our volunteers, adapting to new challenges and embracing new ways of working to support our work. In response, we have provided regular guidance to enable safe volunteering, as well as resources and training.

# B W FOUNDATION

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 JULY 2023

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#### Statement of Trustees' responsibilities

The Trustees, who are also the directors of B W Foundation for the purpose of company law, are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law and the law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give 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 year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principle in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 adequate accounting records that 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 Companies Act 2006. 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.

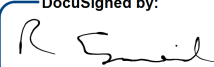
The trustees are responsible for the maintenance and integrity of the financial and other information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### Disclosure of information to auditor

Each of the charity Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken all the necessary steps they ought to have taken as charity Trustees in order to make themselves aware of all relevant audit information and to establish that the auditor is aware of that information.

The Trustees' annual report was approved and signed on behalf of the Board of Trustees.

Mr R Esmail  
Trustee

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14 May 2024

# B W FOUNDATION

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF B W Foundation

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#### Opinion

We have audited the financial statements of B W Foundation (the 'Charity') and its group for the year ended 31 July 2023 which comprise the consolidated statement of financial activities, consolidated statement of financial position, company statement of financial position, consolidated statement of cash flows, and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 31 July 2023 and of its incoming resources and application of resources, including income and expenditure, for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity and group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standards, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual Report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



# B W FOUNDATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF B W Foundation

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#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and Charity and their environment obtained during the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees'

We have nothing to report in respect of the following matters in relation to which the

Companies Act 2006 requires us to report to you if, in our opinion;

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Trustees' report and from the requirement to prepare a strategic report.

#### Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charity and the group through discussions with management and from our knowledge and experience of the sector and activities of the charity; and
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities (Accounts and Reports) Regulations 2008 and the Charities Act 2011; and
- we assessed the extent of compliance with the laws and regulations identified through making enquiries of management and inspecting documentation; and
- we identified laws and regulations which were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the financial statements to material misstatements including obtaining an understanding of how fraud might occur by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

# **B W FOUNDATION**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF B W Foundation**

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#### **Auditor's responsibilities for the audit of the financial statements (continued)**

To address the risk of fraud through management bias and override of controls we performed the following procedures:

- we performed analytical procedures to identify any unusual or unexpected relationships; and
- we assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- we investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations we designed procedures which included, but were not limited to, agreeing financial statement disclosures to underlying supporting documentation and remaining alert for actual and potential litigation and claims during our other audit procedures. We did not identify any key audit matters relating to irregularities, including fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Deitch Cooper LLP**

14 May 2024

**Statutory Auditor**

1<sup>st</sup> Floor, 3 Hobbs House  
Harrobian Business Village  
Bessborough Road  
Harrow  
Middlesex  
HA1 3EX

Deitch Cooper LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 12 of the Companies Act 2006.

**B W FOUNDATION****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 JULY 2023**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b>Income from:</b>						
Donations and legacies	205,006	1,529,563	1,734,569	160,031	1,315,433	1,475,464
Charitable activities	72,913	-	72,913	40,466	-	40,466
Other trading activities	15,000	-	15,000	32,500	-	32,500
Investments	78,700	-	78,700	33,590	-	33,590
Other income	-	-	-	2,274	-	2,274
<b>Total income</b>	<b>371,619</b>	<b>1,529,563</b>	<b>1,901,182</b>	<b>268,861</b>	<b>1,315,433</b>	<b>1,584,294</b>
<b>Expenditure on:</b>						
Raising funds	84,426	-	84,426	57,056	-	57,056
Charitable activities	140,626	218,203	358,829	128,064	258,734	386,798
<b>Total expenditure</b>	<b>225,052</b>	<b>218,203</b>	<b>443,255</b>	<b>185,120</b>	<b>258,734</b>	<b>443,854</b>
Net gains/(losses) on investments	(143,000)	-	(143,000)	91,380	-	91,380
<b>Net income</b>	<b>3,567</b>	<b>1,311,360</b>	<b>1,314,927</b>	<b>175,121</b>	<b>1,056,699</b>	<b>1,231,820</b>
Transfers between funds	2,498,006	(2,498,006)	-	15,395	(15,395)	-
<b>Net movements in funds</b>	<b>2,501,573</b>	<b>(1,186,646)</b>	<b>1,314,927</b>	<b>190,516</b>	<b>1,041,304</b>	<b>1,231,820</b>
<b>Reconciliation of funds:</b>						
Fund balances at 1 August 2022	9,793,029	3,382,281	13,175,310	9,602,513	2,340,977	11,943,490
<b>Fund balances at 31 July 2023</b>	<b>12,294,602</b>	<b>2,195,635</b>	<b>14,490,237</b>	<b>9,793,029</b>	<b>3,382,281</b>	<b>13,175,310</b>

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

All income and expenditure derive from continuing activities.

**B W FOUNDATION****CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 JULY 2023**

			2023	2022
	Notes	£	£	£
<b>Fixed assets</b>				
Tangible assets	15		12,486,898	9,994,957
Investment properties	16		530,000	673,000
Investments	17		10,000	10,000
			<u>13,026,898</u>	<u>10,677,957</u>
<b>Current assets</b>				
Debtors	18	94,298	5,707	
Cash at bank and in hand		<u>2,408,703</u>	<u>3,252,463</u>	
		2,503,001	3,258,170	
<b>Creditors: amounts falling due within one year</b>	19	<u>(290,676)</u>	<u>(24,331)</u>	
<b>Net current assets</b>			2,212,325	3,233,839
<b>Total assets less current liabilities</b>			<u>15,239,223</u>	<u>13,911,796</u>
<b>Creditors: amounts falling due after more than one year</b>	19.b	(748,986)	(736,486)	
<b>Net assets</b>			<u>14,490,237</u>	<u>13,175,310</u>
<b>Income funds</b>				
Restricted funds	20		2,195,635	3,382,281
Unrestricted funds			12,294,602	9,793,029
<b>Total charity funds</b>			<u>14,490,237</u>	<u>13,175,310</u>

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

These accounts were approved by the Board of Trustees on 14 May 2024 and were signed on its behalf by:

Dr N Merali  
Trustee

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*Nizar Merali*  
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Mr R Esmail  
Trustee

DocuSigned by:  
*R Esmail*  
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**B W FOUNDATION****COMPANY STATEMENT OF FINANCIAL POSITION****AS AT 31 JULY 2023**

	Notes	£	2023 £	£	2022 £
<b>Fixed assets</b>					
Tangible assets	15		12,778,482		10,042,998
Investment property	16		530,000		673,000
Investments	17		10,100		10,100
			<u>13,318,582</u>		<u>10,726,098</u>
<b>Current assets</b>					
Debtors	18	145,579		101,510	
Cash at bank and in hand		<u>2,378,837</u>		<u>3,245,683</u>	
		2,524,416		3,347,193	
<b>Creditors: amounts falling due within one year</b>	19	<u>(319,324)</u>		<u>(20,171)</u>	
<b>Net current assets</b>			2,205,092		3,327,022
<b>Total assets less current liabilities</b>			<u>15,523,674</u>		<u>14,053,120</u>
<b>CREDITORS: amounts falling due after more than one year</b>			(748,986)		(736,486)
<b>NET ASSETS</b>			<u>14,774,688</u>		<u>13,316,634</u>
<b>Income funds</b>					
Restricted funds			1,871,287		3,302,242
Unrestricted funds			12,903,401		10,014,392
<b>Total charity funds</b>			<u>14,774,688</u>		<u>13,316,634</u>

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

These accounts were approved by the Board of Trustees on 14 May 2024 and were signed on its behalf by:

Dr N Merali  
Trustee

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*Nizar Merali*  
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Mr R Esmail  
Trustee

DocuSigned by:  
*R Esmail*  
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**B W FOUNDATION****CONSOLIDATED STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 JULY 2023**

			<b>2023</b>	<b>2022</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>				
Cash generated from operations	<b>24, 25</b>		1,294,644	1,119,080
<b>Investing activities</b>				
Investment income received		78,700		33,590
Purchase of tangible fixed assets		<u>(2,229,604)</u>		<u>(57,625)</u>
<b>Net cash generated from/ (used in) investing activities</b>			(2,150,904)	(24,035)
<b>Financing activities</b>				
Proceeds from borrowings		<u>12,500</u>		<u>80,490</u>
<b>Net cash used in financing activities</b>			<u>12,500</u>	<u>80,490</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>			(843,760)	1,175,535
Cash and cash equivalents at beginning of year			<u>3,252,463</u>	<u>2,076,928</u>
<b>Cash and cash equivalents at end of year</b>			<u><u>2,408,703</u></u>	<u><u>3,252,463</u></u>

# B W FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2023

#### 1 ACCOUNTING POLICIES

##### Charity information

BW Foundation ("the Charity") is a private company limited by guarantee, incorporated in England and Wales (company number 063234340) and a charity registered in England and Wales (charity number 1121549).

The charity's registered office address is: 336 Pinner Road, Harrow, Middlesex, HA1 4LB.

##### 1.1 Accounting convention

These financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006, FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102") and the Charities SORP "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). This a Public Benefit Entity as defined by FRS 102.

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

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 investment properties at fair value.

The principal accounting policies adopted are set out below.

##### 1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company together with all entities controlled by the parent company (its subsidiaries). All financial statements are made up to 31 July 2023. All intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

##### 1.3 Going concern

The trustees have assessed the charity's requirements for the foreseeable future, including the charity's contingency plans as a result of Covid 19 and are confident that sufficient funds will be available to enable operations to continue at a sustainable level for a period of at least 12 months from the date of approval of these financial statements. The Charity therefore continues to adopt the going concern basis in preparing its financial statements. As there are no material uncertainties about the charity's ability to continue operations, the accounts have been prepared on a going concern basis. The Charity has maintained its regular standing order receipt donations and other small donations for the day-to-day running of operations.

##### 1.4 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.

Significant judgements and key accounting estimates made by the Trustees include the fair value of investment property and the estimated useful economic life of tangible fixed assets, which is reflected in the depreciation rates applied.

# B W FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2023

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#### 1 ACCOUNTING POLICIES (CONTINUED)

##### 1.5 Income

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

Cash donations are recognised on receipt. Gift Aid recoverable is recognised at the time of the donation. Other donations are recognised once the Charity has been notified of the donation.

##### 1.6 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Governance costs are included within support costs and include costs relating to strategic planning for its future development, auditors' remuneration, certain legal costs and all costs of complying with constitutional and statutory requirements, such as costs of Board meetings and of preparing the statutory accounts.

Where support costs cannot be directly attributable to specific charitable activities they have been allocated between charitable activities in line with the total direct expenditure on each activity.

##### 1.7 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:

Freehold property	Straight line over 25 years
Plant and equipment	25% straight line

Freehold land and assets in the course of construction are not depreciated.

Assets in the course of construction are not depreciated until the work is fully completed.

The gain or loss arising on the disposal of an asset is the difference between the sale proceeds and the carrying value of the asset and is recognised in the Statement of Financial Activities.

##### **Impairment of fixed assets**

At each reporting end date, the charity reviews the carrying amounts of tangible assets, including Burial land, 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 to determine the extent of the impairment loss (if any).

##### 1.8 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value as at the reporting end date. The net gain or loss on revaluation is recognised in net income/(expenditure) for the year.

##### 1.9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

##### 1.10 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and 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.



# B W FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2023

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#### 1 ACCOUNTING POLICIES (CONTINUED)

##### 1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS102 to all of its financial instruments.

Financial instruments are recognised in the charity's statement of financial position 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.

##### **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. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities classified as payable within one year are not amortised.

##### **Concessionary loans**

Concessionary loans are those loans made or received by a charity to further its purposes and any interest charged is below the prevailing market rate. Concessionary loans are not made solely to achieve a financial return and therefore are not discounted at a market rate of interest.

Concessionary loans repayable on demand or within one year are measured at the carrying amount of the loan. Concessionary loans repayable in more than one year are initially recognised and measured at the amount received or paid. In subsequent years the carrying amount is adjusted to reflect repayments and any

##### **Derecognition of financial liabilities**

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

##### **Fund Accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for specific purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****2 SUBSIDIARY COMPANY**

The Foundation has a wholly owned trading subsidiary, BWF Development Company Limited, incorporated in the United Kingdom, number 06287768, the principal activity of which is the development of building projects. A summary of the trading results of the subsidiary for the year ended 31 July 2023 is shown below.

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Turnover	2,742,315	29,083
Cost of Sales	<u>2,497,969</u>	<u>25,626</u>
Gross Profit	244,346	3,457
Administrative expenses	<u>(143,128)</u>	<u>(3,286)</u>
Operating profit	101,218	171
Interest payable and similar charges	<u>-</u>	<u>(1,571)</u>
Profit/(loss) before tax	101,218	(1,400)
Tax on profit/(loss)	<u>(1,370)</u>	<u>-</u>
Profit/(loss) for the financial year	<u>99,848</u>	<u>(1,400)</u>
The net assets of the subsidiary were:		
Assets	337,186	7,367
Liabilities	<u>(330,558)</u>	<u>(100,587)</u>
Funds (Including 100 ordinary shares of £1 each)	<u>6,628</u>	<u>(93,220)</u>

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****3 FINANCIAL PERFORMANCE OF THE CHARITY**

The financial activities showing the consolidated financial statements include those of the Charity's subsidiary. A summary income and expenditure account showing the financial activities undertaken by the charity alone during the period is set out below.

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Total income	2,041,182	1,585,865
Total expenditure	(440,128)	(440,569)
Net gains and losses on revaluation of investment properties	<u>(143,000)</u>	<u>91,380</u>
Net income for the year/Net movement in funds	1,458,054	1,236,676
 Total funds brought forward	 <u>13,316,634</u>	 <u>12,079,958</u>
Total funds carried forward	<u>14,774,688</u>	<u>13,316,634</u>

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b>4 DONATIONS AND LEGACIES</b>						
Salaam Centre donations	-	1,268,055	1,268,055	-	1,040,931	1,040,931
Other general donations	25,932	261,508	287,440	26,874	274,502	301,376
Tax relief on donations	179,074	-	179,074	133,157	-	133,157
	<u>205,006</u>	<u>1,529,563</u>	<u>1,734,569</u>	<u>160,031</u>	<u>1,315,433</u>	<u>1,475,464</u>
<b>5 INCOME FROM CHARITABLE ACTIVITIES</b>						
Conferences and Seminars	65,058	-	65,058	36,493	-	36,493
Hall Hire	7,855	-	7,855	3,973	-	3,973
	<u>72,913</u>	<u>-</u>	<u>72,913</u>	<u>40,466</u>	<u>-</u>	<u>40,466</u>
<b>6 INCOME FROM OTHER TRADING ACTIVITIES</b>						
Rental Income	15,000	-	15,000	15,000	-	15,000
Insurance claim	-	-	-	17,500	-	17,500
	<u>15,000</u>	<u>-</u>	<u>15,000</u>	<u>32,500</u>	<u>-</u>	<u>32,500</u>
<b>7 INVESTMENT INCOME</b>						
Dividends from investments	30,000	-	30,000	30,000	-	30,000
Interest received on bank deposits	48,700	-	48,700	3,590	-	3,590
	<u>78,700</u>	<u>-</u>	<u>78,700</u>	<u>33,590</u>	<u>-</u>	<u>33,590</u>
<b>8 OTHER INCOME</b>						
Coronavirus support grant	-	-	-	2,274	-	2,274
	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,274</u>	<u>-</u>	<u>2,274</u>

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****9 EXPENDITURE ON RAISING FUNDS**

	<b>Unrestricted funds 2023 £</b>	<b>Unrestricted funds 2022 £</b>
Advertising and sponsorship	19,600	31,000
Staff costs	10,828	16,152
Share of support costs	7,082	5,828
Share of governance costs	3,950	4,076
Other fundraising costs	42,966	-
<b>Total fundraising and publicity</b>	<b>84,426</b>	<b>57,056</b>

**10 EXPENDITURE ON CHARITABLE ACTIVITIES**

	<b>Conference &amp; Seminars £</b>	<b>Education £</b>	<b>Grants £</b>	<b>Burial Services £</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Religious activities	88,055	-	-	-	88,055	48,906
Education	-	17,558	-	-	17,558	20,514
Grants	-	-	68,596	-	68,596	93,795
Burial charges	-	-	-	136,049	136,049	148,453
	<u>88,055</u>	<u>17,558</u>	<u>68,596</u>	<u>136,049</u>	<u>310,258</u>	<u>311,668</u>
Share of support costs	18,954	6,589	12,029	-	37,572	53,670
Share of governance costs	5,559	1,109	4,331	-	10,999	21,460
	<u>112,568</u>	<u>25,256</u>	<u>84,956</u>	<u>136,049</u>	<u>358,829</u>	<u>386,798</u>
<u>Analysis by Fund</u>						
Unrestricted funds	112,568	7,698	20,360	-	140,626	128,064
Restricted funds	-	17,558	64,596	136,049	218,203	258,734
	<u>112,568</u>	<u>25,256</u>	<u>84,956</u>	<u>136,049</u>	<u>358,829</u>	<u>386,798</u>

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****10 EXPENDITURE ON CHARITABLE ACTIVITIES (continued)**

For the year ended 31 July 2022

	Conference & Seminars £	Education £	Grants £	Burial Services £	Total 2022 £
Religious activities	48,906	-	-	-	48,906
Education	-	20,514	-	-	20,514
Grants	-	-	93,795	-	93,795
Burial charges	-	-	-	148,453	148,453
	<u>48,906</u>	<u>20,514</u>	<u>93,795</u>	<u>148,453</u>	<u>311,668</u>
Share of support costs	17,451	9,302	26,917	-	53,670
Share of governance costs	6,431	2,697	12,332	-	21,460
	<u>72,788</u>	<u>32,513</u>	<u>133,044</u>	<u>148,453</u>	<u>386,798</u>
<u>Analysis Fund</u>					
Unrestricted funds	72,788	11,999	43,277	-	128,064
Restricted funds	-	20,514	89,767	148,453	258,734
	<u>72,788</u>	<u>32,513</u>	<u>133,044</u>	<u>148,453</u>	<u>386,798</u>

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****11 SUPPORT COSTS**

	<b>Support costs 2023 £</b>	<b>Total 2023 £</b>	<b>Support costs 2022 £</b>	<b>Total 2022 £</b>	<b>Basis of allocation</b>
Staff costs	10,828	10,828	16,152	16,152	Usage
Depreciation	7,023	7,023	6,831	6,831	Directly attributable
Premises costs	16,550	16,550	24,948	24,948	Directly attributable
Office costs	1,186	1,186	2,585	2,585	Directly attributable
Bank charges	6,130	6,130	5,696	5,696	Directly attributable
Development company costs	2,936	2,936	3,286	3,286	Directly attributable
<u>Governance Costs</u>					
Audit fees	7,500	7,500	7,000	7,000	Governance
Legal and professional fees	2,230	2,230	8,746	8,746	Governance
Accountancy fees	5,220	5,220	9,790	9,790	Governance
	<u>59,603</u>	<u>59,603</u>	<u>85,034</u>	<u>85,034</u>	

**12 TRUSTEES**

None of the Trustees (nor any persons connected with them) received any remuneration or benefits from the charity during the year (2022: £nil).

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****12 EMPLOYEES****Number of employees**

The average monthly number of employees during the year was:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Total	<u>2</u>	<u>2</u>

**Employment costs**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	21,185	31,727
Staff pension costs	<u>471</u>	<u>577</u>
	<u>21,656</u>	<u>32,304</u>

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

**13 RETIREMENT BENEFIT SCHEME**

The Foundation 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 administrated fund.

**14 GAINS AND LOSSES ON INVESTMENTS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Gains/(losses) arising on:		
Revaluation of investment properties	<u>(143,000)</u>	<u>91,380</u>



**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****15 TANGIBLE FIXED ASSETS**

	<b>Freehold Land and buildings</b>	<b>Assets under construction</b>	<b>Plant &amp; machinery</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>THE GROUP</b>				
<b>Cost</b>				
At 1 August 2022	401,558	9,600,230	7,202	10,008,990
Additions	<u>-</u>	<u>2,498,006</u>	<u>958</u>	<u>2,498,964</u>
At 31 July 2023	<u>401,558</u>	<u>12,098,236</u>	<u>8,165</u>	<u>12,507,959</u>
<b>Depreciation</b>				
At 1 August 2022	6,831	-	7,202	14,033
Charge for the year	<u>6,831</u>	<u>-</u>	<u>192</u>	<u>7,023</u>
At 31 July 2023	<u>13,662</u>	<u>-</u>	<u>7,399</u>	<u>21,061</u>
<b>Net Book Value</b>				
At 31 July 2023	<u>387,896</u>	<u>12,098,236</u>	<u>766</u>	<u>12,486,898</u>
At 31 July 2022	<u>394,727</u>	<u>9,600,230</u>	<u>-</u>	<u>9,994,957</u>
<b>THE FOUNDATION</b>				
<b>Cost</b>				
At 1 August 2022	401,558	9,648,271	-	10,049,829
Additions	<u>-</u>	<u>2,742,315</u>	<u>-</u>	<u>2,742,315</u>
At 31 July 2023	<u>401,558</u>	<u>12,390,586</u>	<u>-</u>	<u>12,792,144</u>
<b>Depreciation</b>				
At 1 August 2022	6,831	-	-	6,831
Charge for the year	<u>6,381</u>	<u>-</u>	<u>-</u>	<u>6,831</u>
At 31 July 2023	<u>13,662</u>	<u>-</u>	<u>-</u>	<u>13,662</u>
<b>Net Book Value</b>				
At 31 July 2023	<u>387,896</u>	<u>12,390,586</u>	<u>-</u>	<u>12,778,482</u>
At 31 July 2022	<u>394,727</u>	<u>9,648,271</u>	<u>-</u>	<u>10,042,998</u>

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****16 INVESTMENT PROPERTY**

	<b>Total £</b>
<b>THE GROUP AND THE FOUNDATION</b>	
<b>Fair value</b>	
At 1 August 2022	673,000
Net gains and losses through fair value adjustments	(143,000)
	<hr/>
At 31 July 2023	<u>530,000</u>
At 31 July 2022	<u>673,000</u>

Investment property comprises property held for capital appreciation and rental income purposes.

The fair value of the investment property has been valued by the Trustees on an open market value basis. Open market value has been determined by reference to a thorough assessment of various factors including market trends, prevailing interest rates and future interest rate expectations on 31 July 2023, the political and economic environment during the period, the property condition and comparable property sales in the area.

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****17 FIXED ASSET INVESTMENTS**

	<b>Unlisted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>THE GROUP</b>		
<b>Cost</b>		
At 1 August 2022 & 31 July 2023	<u>10,000</u>	<u>10,000</u>
<b>Carrying amount</b>		
At 31 July 2023	<u>10,000</u>	<u>10,000</u>
At 31 July 2022	<u>10,000</u>	<u>10,000</u>
<b>THE FOUNDATION</b>		
<b>Cost</b>		
At 1 August 2022 & 31 July 2023	<u>10,100</u>	<u>10,100</u>
<b>Carrying amount</b>		
At 31 July 2023	<u>10,100</u>	<u>10,100</u>
At 31 July 2022	<u>10,100</u>	<u>10,100</u>

Fixed asset investments amounting to £10,000 represent non-controlling participating interests.

**18 DEBTORS – THE GROUP**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Other debtors	91,082	2,515
Prepayments and accrued income	<u>3,216</u>	<u>3,192</u>
	<u>94,298</u>	<u>5,707</u>

**18.a DEBTORS – THE FOUNDATION**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Amounts owed by subsidiary undertakings	-	96,426
Other debtors	142,363	1,892
Prepayments and accrued income	<u>3,216</u>	<u>3,192</u>
	<u>145,579</u>	<u>101,510</u>

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****19 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR – THE GROUP**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade creditors	271,033	1,200
Accrued expenses	19,543	21,689
Other creditors	100	1,442
	<u>290,676</u>	<u>24,331</u>

The bank loans are secured by way of charges over certain investment properties owned by the group.

**19.a CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - THE FOUNDATION**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade creditors	-	-
Amounts owed to subsidiary undertakings	305,340	-
Accrued expenses	13,884	18,729
Other creditors	100	1,442
	<u>319,324</u>	<u>20,171</u>

**19.b CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR – THE GROUP**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Loans for Salaam Centre project – payable after one year	<u>748,986</u>	<u>736,486</u>

**19.c CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR – THE FOUNDATION**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Loans for Salaam Centre project – payable after one year	<u>748,986</u>	<u>736,486</u>

Loans for the Salaam Centre project represent interest-free concessionary loans received from members made wholly to advance charitable purposes, for the benefit of the Charity's beneficiaries, and achieve no financial return.

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****20 RESTRICTED FUNDS**

The income funds of the group include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 Aug 2022	Income	Expenses	Transfers	Balance at 31 July 2023
	£	£	£	£	£
Funds for interment in plot J	113,031	115,299	(120,097)	-	148,233
Advance for Headstone commissioning	68,896	21,320	(15,952)	-	74,264
Funds to purchase graves in plot J	35,181	750	-	-	35,931
Salaam Centre project funds	3,029,704	1,268,055	-	(2,498,006)	1,799,753
Zakat	-	-	-	-	-
Sadqa/IZ/India for poor and needy	5,208	4,473	(7,408)	-	2,273
Husseiny Madrassa for Education	1,070	21,303	(17,308)	-	5,065
Restricted Funds 2 for poor and needy	26,016	1,200	(4,300)	-	22,916
Fidia – Food Distribution to poor	658	220	(878)	-	-
Fitra – Distributed to poor at end of Ramadhan	1,516	4,767	(3,320)	-	2,963
Radde Mazaalim	-	-	-	-	-
Khums – Saheme Sadat	7,583	17,003	(13,919)	-	10,667
Khums – Saheme Imam	-	2,750	(2,750)	-	-
LFT Charity donation	3,620	4,754	(7,217)	-	1,157
Restricted funds 1 mainly for education	21,921	20,630	(15,859)	-	26,692
Fundraising for Salaam Centre	4,830	-	-	-	4,830
Education UK & Overseas	50,425	50	-	-	50,475
WIPAHs- Kibaha	772	674	(1,100)	-	346
Imam Hussein Foundation	350	-	(350)	-	-
Sufra Fund Food distribution in UK	1500	500	(2,000)	-	-
Wafa Orphans – Iraq	10,000	-	-	-	10,000
Hujjat-Harefiel Project	-	250	(250)	-	-
Empowered Women Network Event	-	300	(300)	-	-
Kaffara	-	40	-	-	40
Pakistan Flood Victims	-	550	(550)	-	-
Care 4 Calais	-	4,674	(4,644)	-	30
	<u>3,382,281</u>	<u>1,529,562</u>	<u>(218,202)</u>	<u>(2,498,006)</u>	<u>2,195,635</u>

**Transfers:**

Salaam Centre Project fund transfers - the value of assets under construction purchased during the year has been transferred from the restricted fund to unrestricted funds since the asset has been purchased from restricted donations but the asset does not have a restricted purpose.

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****20 RESTRICTED FUNDS (CONTINUED)****For the year end 31 July 2022**

	<b>Balance at 1 Aug 2021</b>	<b>Income</b>	<b>Expenses</b>	<b>Transfers</b>	<b>Balance at 31 July 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Funds for interment in plot J	106,331	142,750	(136,050)	-	113,031
Advance for Headstone commissioning	52,529	28,770	(12,403)	-	68,896
Funds to purchase graves in plot J	34,356	825	-	-	35,181
Salaam Centre project funds	2,014,398	1,040,931	-	(25,625)	3,029,704
Zakat	-	167	(167)	-	-
Sadqa/IZ/India for poor and needy	994	4,214	-	-	5,208
Husseiny Madrassa for Education	1,551	8,303	(19,014)	10,230	1,070
Restricted Funds 2 for poor and needy	31,816	-	(5,800)	-	26,016
Fidia – Food Distribution to poor	120	538	-	-	658
Fitra – Distributed to poor at end of Ramadhan	944	3,572	(3,000)	-	1,516
Radde Mazaalim	-	255	(255)	-	-
Funds for poor General	1,306	194	(1,500)	-	7,583
Khums – Saheme Sadat	7,427	13,201	(13,045)	-	-
LFT Charity donation	1,180	7,520	(5,083)	-	3,620
Restricted funds 1 mainly for education	22,530	58,050	(58,659)	-	21,921
Fundraising for Salaam Centre	4,948	-	(118)	-	4,830
Education UK & Overseas	50,325	1,600	(1,500)	-	50,425
WIPAHS- Kibaha	122	650	-	-	772
Imam Hussein Foundation	100	250	-	-	350
Sufra Fund Food distribution in UK	-	3,640	(2,140)	-	1,500
Wafa Orphans – Iraq	10,000	-	-	-	10,000
	-	-	-	-	-
	<u>2,340,977</u>	<u>1,315,433</u>	<u>(258,734)</u>	<u>(15,395)</u>	<u>3,382,281</u>

**Transfers**

Salaam Centre Project fund transfers - the value of assets under construction purchased during the year has been transferred from the restricted fund to unrestricted funds since the asset has been purchased from restricted donations but the asset does not have a restricted purpose.

Husseiny Madrassa for Education transfers - a transfer has been made from unrestricted funds to cover a deficit.

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****21 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 July 2023 are represented by:						
Tangible assets	12,486,898	-	12,486,898	9,843,308	151,649	9,994,957
Investment properties	530,000	-	530,000	673,000	-	673,000
Investments	10,000	-	10,000	10,000	-	10,000
Current assets/(liabilities)	16,690	2,195,635	2,212,325	3,207	3,230,632	3,233,839
Long term liabilities	(748,986)	-	(748,986)	(736,486)	-	(736,486)
	<u>12,294,602</u>	<u>2,195,635</u>	<u>14,490,237</u>	<u>9,793,029</u>	<u>3,382,281</u>	<u>13,175,310</u>

**22 CAPITAL COMMITMENTS**

At the year-end works relating to the development of The Salaam Centre, Harrow had been contracted for but not provided in the financial statements as they had not yet been carried out totalling £3,561,957. Additional costs are expected to arise in the future.

**23 RELATED PARTY TRANSACTIONS**

Donations from the Trustees and close family members to the Charity during the year amounted to £130,546 (2022: £34,383).

The Wolsey Trust, a UK registered charity in which a Trustee is also a trustee, made donations to BW Foundation of £5,500 (2022: £600,850) during the year, as part of its charitable activities.

Related party donations to the Charity during the year from entities in which trustees are directors totaled £171,000 (2022: £31,350).

**B W FOUNDATION****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2023****24 CASH GENERATED FROM OPERATIONS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Surplus for the year	1,314,927	1,231,820
<u>Adjustments for:</u>		
Investment income recognised in Statement of Financial Activities	(78,700)	(33,590)
Fair value gains and losses on investment properties	143,000	(91,380)
Depreciation and impairment of tangible assets	7,023	6,831
<u>Movements in working capital:</u>		
(Increase)/decrease in debtors	(88,591)	17,490
(Decrease) in creditors	(3,015)	(12,091)
<b>Cash generated from operations</b>	<u>1,294,644</u>	<u>1,119,080</u>

**25 ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At 1 August 2022</b>	<b>Cashflows</b>	<b>Acquisitions and Disposals</b>	<b>At 31 July 2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	3,252,463	(843,760)	-	2,408,703
Loans due after more than one year	(736,486)	-	(12,500)	(748,986)
	<u>2,515,977</u>	<u>(843,760)</u>	<u>(12,500)</u>	<u>1,659,717</u>