

Charity registration number 1122476

Company registration number 05322133 (England and Wales)

AHLULBAYT CULTURAL CENTRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

AHLULBAYT CULTURAL CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	S. Ali Z. Ali Z. Al-Mausawe H. Abdul-Ameer
Secretary	S. Ali
Charity number	1122476
Company number	05322133
Registered office	35 Hanover Square Leeds West Yorkshire LS3 1BQ
Independent examiner	Forrest Burlinson 20 Owl Lane Dewsbury West Yorkshire WF12 7RQ
Bankers	National Westminster Bank Plc Leeds University Branch 1 Victoria Place Leeds West Yorkshire LS11 1AN

AHLULBAYT CULTURAL CENTRE

CONTENTS

	Page
Trustees' report	1 - 5
Independent examiner's report	7
Statement of financial activities	8
Balance sheet	9
Notes to the financial statements	10 - 17

AHLULBAYT CULTURAL CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, 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 purpose

The charity's objects are restricted to such purposes which are exclusively charitable in the laws of England and Wales and the Charity Trustees shall in their absolute discretion determine, including:

- the advancement of the teachings of the Ahlulbayt twelve Imams;
- the advancement of education and culture particularly in the doctrines and practices of the Ahlulbayt twelve Imams;
- the promotion of community participation in healthy recreation by the provision of facilities for playing sport;
- the provision, or assistance in, the provision of facilities in the interests of social welfare for recreation or other leisure time occupation with the object of improving the conditions of life in particular for the inhabitants of the North of England;
- the relief of poverty; and
- such other charitable purposes for the benefit of the community as the trustees shall think fit.

There has been no change in these objects during the year.

Strategy and activities

Our consistent goal is to establish a welcoming centre for worship and education for our local Shi'a Ithna Ashari community. This community adheres to the teachings of the Ahlulbayt, including Prophet Muhammad, his household, and the twelve Imams, peace be upon them. We also extend this invitation to anyone from the broader community interested in learning about Islam and the teachings of the Ahlulbayt.

Our strategy revolves around uniting the multigenerational and multilingual Shi'a Ithna Ashari community. We achieve this by fostering worship, promoting shared cultural and religious practices, and offering a space for wholesome recreation and charitable activities. We have placed particular focus on the youth in recent years, paying attention to their needs in the community.

Our centre, located in central Leeds, serves as the foundation for a variety of programs and activities. These initiatives engage both adults and youth, fostering a sense of unity and community.

We maintain an open-door policy, inviting the community for supplication on Thursday evenings and Friday midday prayers every week. These gatherings draw a substantial attendance, including many students from nearby universities in Leeds.

Throughout the Islamic calendar year, we organise events that bring our local community together to commemorate the lives of the Ahlulbayt. We also facilitate spiritual worship and rituals during the holy months of Ramadan and Muharram, as well as celebrations of religious festivals such as Eid. These events often feature speakers, including community elders, local Imams, or knowledgeable Imams from other cities, who deliver lectures on religious topics and expound on the teachings of the Ahlulbayt. We also encourage our younger members to participate as speakers, providing them with an opportunity for personal growth, research, and knowledge sharing among their peers. To accommodate our diverse community, which includes those newly arrived to the UK and younger generations with varying first languages, we make an effort to offer many of our primary events in Arabic, Farsi, and English.

Engaging with the wider community is essential to us, and our centre is open to all. We maintain a mailing list for event communication, accessible to anyone on our website, and promote all our activities in English, as it serves as the common language for our community members.

In alignment with Islamic teachings emphasizing the significance of charity and caring for orphans, we encourage our members and centre attendees to contribute to alms-giving. This effort primarily supports orphans in Iraq and Pakistan, with regular donors participating in monthly orphan sponsorship programs. These contributions are distributed through a charitable organisation in Iraq with which our Orphan Donations Committee maintains strong ties.

AHLULBAYT CULTURAL CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Trustees' statement on public benefit

The trustees have paid due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers or duties and deciding what activities the charity should undertake. The objects and other information set out in this report demonstrate this in more detail.

Specifically it is our consistent aim to provide our local Shi'a Ithna Ashari community (those prescribing to the teachings of the Ahlulbayt, namely the Prophet Muhammad, his household and the twelve Imams, peace be upon them) and indeed anyone from the wider community wishing to learn about Islam and the teachings of the Ahlulbayt, with a welcoming centre for worship and learning.

Our cultural centre in Leeds

We have use of a centre in central Leeds, which provides facilities for learning and prayer open to both men and women.

We are open to the community on a regular basis, for duaa (supplication) on a Thursday evening and for Friday midday prayers every week, which are attended by a large number, including students from both of the nearby universities in Leeds.

We run events throughout the Islamic calendar year to allow our local community to come together to commemorate the lives of the Ahlulbayt and to participate in spiritual worship and ritual during the holy months of Ramadan and Muharram, and to celebrate religious festivals, such as Eid. Many of our functions are speaker events, inviting community elders, local Imams, or learned Imams from other cities to give lectures on religious topics and to teach about the doctrine of the Ahlulbayt.

We also encourage our younger members to volunteer to speak as an opportunity for their own personal development, research and sharing of knowledge with their peers. In order to cater for the multi-lingual fabric of our community and to ensure that all feel welcome, including those whose first language is often not the same as that of their parents, we try to provide many of our main events in Arabic, Farsi, and English. It is important to us to engage with the wider community and thus welcome all to our centre.

Relief of poverty in Iraq and Pakistan

In accordance with the teachings of Islam which stress the importance of giving charity and protecting orphans, and in order to meet our objective of relieving poverty, we encourage our members and those who attend our centre to give alms, most notably for the assistance of orphans in Iraq and Pakistan. Our regular donors give monthly orphan sponsorship, which is distributed by a charitable organisation in Iraq with whom our Orphan Donations Committee has close links.

AHLULBAYT CULTURAL CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance

How our activities deliver public benefit

The Ahlulbayt Cultural Centre diligently pursues its charitable mission, as outlined in its Memorandum and Articles of Association, by offering a diverse range of activities and regular programs that are accessible to, and designed for, the betterment of its members and the local community. For the fiscal year ending on December 31, 2022, these initiatives encompassed the following:

- **Prayers:** The centre, operated by the charity, warmly welcomes both men and women every Friday afternoon for communal midday prayers. Adequate facilities for ablution and prayer are thoughtfully provided.
- **Duaas (Supplication):** A weekly Thursday evening program is hosted by the centre for the recitation of Duaa Kumayl (the Supplication of Kumayl). The gathering draws a diverse audience, including students, young professionals, and families.
- **Youth Programs:** We have organised a number of youth events to ensure that we continue to engage the next generation. These include fun sports and activity days, discussion circles and youth workshops focussed on topics such as 'study techniques' or 'media'. We have also participated in the Heritage Grant project and used this to run activities which allowed the youth of the community to engage with the elders to gain a better understanding of their heritage.
- **Commemoration Programs:** Throughout the year, the Ahlulbayt Cultural Centre organizes speaker events to commemorate significant events such as the birth and death anniversaries of the Prophet Muhammad and the Twelve Imams. These programs are primarily delivered in Arabic and English, with Farsi presentations whenever possible. At the conclusion of these commemorative events, a meal is often provided, reflecting our belief as trustees in promoting the social well-being of our attendees.
- **Holy Month of Ramadan:** During the holy month of Ramadan, our charity conducts a nightly program that includes daily Qur'an recitation, instruction in Islamic jurisprudence, communal prayers, and supplication to foster spirituality and learning. Each evening, an Iftar meal is shared among attendees, benefitting over 200 individuals on busier nights. Families, young professionals, and students from nearby universities and colleges actively participate in this program. For many students, Leeds serves as their second home, either hailing from other UK cities or studying as international students. Our Ramadan program is instrumental in making these attendees feel welcome and enhancing their social well-being during a time of year that underscores the importance of family and community.
- **Festivals:** The Ahlulbayt Cultural Centre organizes Eid prayers and a festive program for both Eid ul-Fitr and Eid ul-Adha, attracting more than 100 celebrants. The Eid ul-Fitr program in the reviewed year included a Qur'an memorization competition for the children of the community, speeches in Arabic, Farsi, and English, as well as a joyous communal meal.
- **Orphan Donations:** Our faith places significant emphasis on charity, with the Qur'an stressing the importance of caring for orphans. To fulfil our mission of alleviating poverty, we established a dedicated charity bank account for orphan donations in June 2015. We continue to support this cause and have maintained a pool of regular donors. All funds collected by the Ahlulbayt Cultural Centre are transmitted to a registered charity in Iraq, responsible for distributing sponsorship and general donations to registered orphans residing in some of the most underprivileged areas of Baghdad and Najaf.

Financial review

The charity received total income over the year of £53,608 (2021: £38,222) from grants and donations.

Total spending for the year was £52,245 (2021: £23,317), of which £15,000 related to grant funded projects and £31,072 was distributed from the Orphans Fund (2021: £15,000).

Unrestricted funds increased to £74,641 (2021: £56,415).

Restricted funds carried forward to 2022 were £10,158 for the Orphans Fund (2021: £17,021).

AHLULBAYT CULTURAL CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be kept at a level sufficient to maintain the level of activities and facilities. The trustees consider that current levels of reserves will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of sufficient reserves has been maintained throughout the year.

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

Structure, governance and management

The charity is a company limited by guarantee and not having a share capital is governed by its Memorandum and Articles of Association dated 29 December 2004. Each trustee is a member of the charitable company and undertakes to contribute towards the costs of dissolution and the liabilities incurred by the charitable company whilst a member, this contribution is limited to £10 per member. The charitable company was registered with the Charity Commission for England and Wales on 28 January 2008.

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

S. Ali

Z. Ali

Z. Al-Mausawe

F. Sefat

(Resigned 14 April 2022)

S. Mozaffari-Chinjani

(Resigned 7 May 2022)

H. Abdul-Ameer

Trustees are voted in by members at community held elections. New trustees have to have the skills required to offer and assist the charity's development and are given relevant Charity Commission publications.

All trustees must have membership with the Ahlulbayt Cultural Centre before their appointment. The Board of Trustees consists of Founder Trustees (those who first subscribed to the Memorandum of Association) and Appointed Trustees, who must have had membership with the charity for a minimum of three years before the date of appointment. After their appointment, every trustee must sign a declaration of willingness to act as a charity trustee before he or she may vote at any meeting of the trustees. At each AGM, one fifth (or the number nearest to one fifth) of the Founder Trustees must retire as well as one third (or the number nearest one third) of the Appointed Trustees, those longest in office retiring first. A retiring Appointed Trustee may be reappointed so long as this is not to exceed four terms in office.

The trustees must meet at least three times a year and are responsible for governing the administration of the charity, ensuring that the running and activities of the Ahlulbayt Cultural Centre comply with its Memorandum and Articles of Association and its objectives therein.

The trustees have appointed an executive committee (EC) from amongst the charity's members within the local community, who generously volunteer their time to oversee the day-to-day running of the charity's activities and management of community facilities, whilst maintaining open lines of communication with the trustees about proceedings. As and when needed, the organisation of individual functions may be delegated to committees, of which all proceedings must be reported to the trustees. A separate committee works to collect and deal with donations for orphans.

AHLULBAYT CULTURAL CENTRE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2022**

The charity is run by its board of trustees, who may from time to time form sub-committees to oversee and deliver certain activities. Other volunteers may be co-opted on to these committees to assist and advise on the particular activity.

There are volunteers for different activities, programs and organisation with catering and cleaning the centre. Number of volunteers over the year was 30 (2021:30).

Trustees' responsibilities in relation to the financial statements

The trustees (who are also directors of Ahlulbayt Cultural Centre for purposes of company law) are responsible for preparing the Trustees' Annual Report (incorporating the Directors' Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company for that period.

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

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

The trustees are responsible for keeping proper accounting records that 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 the Companies Act 2006, the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Articles of Association.

They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approval

These accounts are prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

The trustees' report was approved by the Board of Trustees.

S. Ali

Trustee/Director

Dated: 27 September 2023

AHLULBAYT CULTURAL CENTRE

TRUSTEES' DECLARATION ON UNAUDITED FINANCIAL STATEMENTS *FOR THE YEAR ENDED 31 DECEMBER 2022*

In relation to the financial statements which comprise the statement of financial activities, the balance sheet and the related notes:

- The trustees approve these financial statements and confirm that they are responsible for them, including selecting the appropriate accounting policies, applying them consistently and making, on a reasonable and prudent basis, the judgments underlying them. They have been prepared on the going concern basis on the grounds that the charity will continue in operation.
- The trustees confirm that they have made available to Forrest Burlinson, all the charity's accounting records and provided all the information necessary for the compilation of the financial statements.
- The trustees confirm that to the best of their knowledge and belief, the accounting records reflect all transactions of the charity for the year ended 31 December 2022.

On behalf of the board

S. Ali
Director

27 September 2023

AHLULBAYT CULTURAL CENTRE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF AHLULBAYT CULTURAL CENTRE

I report to the trustees on my examination of the financial statements of Ahlulbayt Cultural Centre (the charity) for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.

Use of our report

This report is made solely to the charity trustees, as a body. My work has been undertaken so that I might state to the charity trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity trustees as a body, for my work, for this report, for the statements I have made, or for the opinions I have stated.

Forrest Burlinson

20 Owl Lane
Dewsbury
West Yorkshire
WF12 7RQ

Dated: 16 October 2023

AHLULBAYT CULTURAL CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	4	29,399	24,209	53,608	10,277	27,945	38,222
Charitable activities - income	5	-	10,000	10,000	-	-	-
Total income		29,399	34,209	63,608	10,277	27,945	38,222
Expenditure on:							
Charitable activities - expenditure	6	(16,173)	(36,072)	(52,245)	(7,721)	(15,596)	(23,317)
Net incoming/(outgoing) resources before transfers		13,226	(1,863)	11,363	2,556	12,349	14,905
Gross transfers between funds		5,000	(5,000)	-	-	-	-
Net income/(expenditure) for the year/							
Net movement in funds		18,226	(6,863)	11,363	2,556	12,349	14,905
Fund balances at 1 January 2022		56,415	17,021	73,436	53,859	4,672	58,531
Fund balances at 31 December 2022		74,641	10,158	84,799	56,415	17,021	73,436

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

AHLULBAYT CULTURAL CENTRE

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		29,228		26,343
Current assets					
Debtors	12	11,198		5,119	
Cash at bank and in hand		47,494		43,534	
		<u>58,692</u>		<u>48,653</u>	
Creditors: amounts falling due within one year	13	<u>(3,121)</u>		<u>(1,560)</u>	
Net current assets			55,571		47,093
Total assets less current liabilities			<u>84,799</u>		<u>73,436</u>
Income funds					
Restricted funds	14	10,158		17,021	
Unrestricted funds		74,641		56,415	
		<u>84,799</u>		<u>73,436</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The directors have elected not to include a copy of the profit and loss (income and expenditure) account.

The financial statements were approved by the Trustees on 27 September 2023

S. Ali
Trustee

Company Registration No. 05322133

AHLULBAYT CULTURAL CENTRE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Ahlulbayt Cultural Centre is a private company limited by guarantee incorporated in England and Wales. The registered office is 35 Hanover Square, Leeds, West Yorkshire, LS3 1BQ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities Act 2011 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)" and relevant accounting regulations. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view. The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

The charity has no permanent endowment funds.

1.4 Income

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

In accordance with the Charities SORP (FRS102) the economic contribution of volunteers' time is not measured in the accounts.

AHLULBAYT CULTURAL CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following headings (headings are excluded where no such expense has been incurred in the current or the comparative year):

- costs of raising funds, which comprise the costs associated with attracting voluntary income, the costs of commercial trading (if any) and their associated costs;
- expenditure on charitable activities includes the costs of operating the centre; providing religious and educational functions and events; supporting the community; raising charitable donations for relief of poverty and orphans in Iraq and Pakistan, and passing these to appropriate charitable organisations.

The charity does not make grants to individuals.

Expenditure includes the incurring of vat charges which under current UK legislation the charity is not in a position to recover.

Governance costs comprise the costs involving the public accountability of the charity and its compliance with regulation and good practice, these together with other support costs are included under costs of the charity's one main charitable activity, being the operation of the Ahlulbayt Centre in Leeds. The trustees do not think it appropriate to allocate any governance costs to the donations in support of orphans.

1.6 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:

Leasehold improvements	straight line method over 15 years
Fixtures and fittings	15% straight line method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Cash and cash equivalents

Cash and cash equivalents 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.

1.9 Financial instruments

The charity only has financial instruments classified as 'Basic Financial Instruments' applying the provisions of Section 11 'Basic Financial Instruments' of FRS 102.

Financial instruments are recognised in the charity's balance sheet 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.

AHLULBAYT CULTURAL CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Derecognition of financial liabilities

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

1.10 Taxation

No tax has been provided in these accounts because the trustees believe that the income and gains are within the exemptions granted for charities by Chapters 2 and 3 of the Corporation Taxes Act 2010.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees may be required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. Such estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

Any estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to such accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period.

3 Fees to the independent examiner

	2021	2020
	£	£
Independent examiner's fees	1,560	1,560

AHLULBAYT CULTURAL CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	24,399	24,209	48,608	10,277	27,945	38,222
General grant funding for events	5,000	-	5,000	-	-	-
	<u>29,399</u>	<u>24,209</u>	<u>53,608</u>	<u>10,277</u>	<u>27,945</u>	<u>38,222</u>

AHLULBAYT CULTURAL CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

5 Charitable activities - income

	Leeds Civic Trust 2022 £	2021 £
Performance related grants	10,000	-

6 Charitable activities - expenditure

	General 2022 £	Grants 2022 £	Total 2022 £	General 2021 £
Depreciation	2,033	-	2,033	402
Community welfare costs	2,798	500	3,298	750
Lecturer/Trainer costs	5,059	1,500	6,559	596
Repairs and equipment	1,554	1,875	3,429	3,195
Heat & light	1,849	1,125	2,974	1,489
Telephone	701	-	701	-
Sundries	528	-	528	158
	14,522	5,000	19,522	6,590
Grant funding of activities (see note 7)	31,072	-	31,072	15,000
Bank charges	91	-	91	167
Accountancy	1,560	-	1,560	1,560
	47,245	5,000	52,245	23,317
Analysis by fund				
Unrestricted funds	16,173	-	16,173	7,721
Restricted funds	31,072	5,000	36,072	15,596
	47,245	5,000	52,245	23,317

7 Grants payable

	General 2022 £	General 2021 £
Grants to institutions (6 grants):		
Wal Fajer (Iraq NGOD no. 1Z71068)	-	15,000
Makkin Al-Yateem Humanitarian Organisation (Iraq cert.1K2108018)	31,072	-
	31,072	15,000

AHLULBAYT CULTURAL CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

7 Grants payable

(Continued)

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but one of them was reimbursed a total of £158 expenses (2021- none were reimbursed).

9 Employees

The average monthly number of employees (including non-remunerated directors) during the year was:

	2022 Number	2021 Number
	4	7

10 Taxation

No corporation tax has been provided in these accounts because the trustees believe that the income and gains of the charity are within the exemptions granted by Chapters 2 and 3 of the Corporation Tax Act 2010.

11 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Total £
Cost			
At 1 January 2022	24,465	21,835	46,300
Additions	-	4,918	4,918
	<u>24,465</u>	<u>26,753</u>	<u>51,218</u>
At 31 December 2022	24,465	26,753	51,218
Depreciation and impairment			
At 1 January 2022	-	19,957	19,957
Depreciation charged in the year	1,631	402	2,033
	<u>1,631</u>	<u>20,359</u>	<u>21,990</u>
At 31 December 2022	1,631	20,359	21,990
Carrying amount			
At 31 December 2022	<u>22,834</u>	<u>6,394</u>	<u>29,228</u>
At 31 December 2021	<u>24,465</u>	<u>1,878</u>	<u>26,343</u>

AHLULBAYT CULTURAL CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Other debtors - Gift Aid claims outstanding	11,198	5,119

13 Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals	3,121	1,560

14 Restricted funds

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

	Movement in funds			Movement in funds			
	Balance at 1 January 2021	Incoming resources	Resources expended	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£	£	£	£
Orphans fund	4,672	27,945	(15,596)	17,021	24,209	31,072	10,158
LCT grant	-	-	-	-	10,000	(10,000)	-
	4,672	27,945	(15,596)	17,021	34,209	41,072	10,158

The Orphans Fund is for the collection and distribution of donations raised for orphans and are transmitted to a registered charity in Iraq for distributing to registered orphans residing in underprivileged areas.

The grant from the Leeds Civic Trust (LCT) Community Heritage Fund was for a project exploring heritage amongst the Leeds Iraqi community.

15 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Tangible assets	29,228	-	29,228	26,343	-	26,343
Current assets/(liabilities)	45,413	10,158	55,571	30,072	17,021	47,093
	74,641	10,158	84,799	56,415	17,021	73,436

AHLULBAYT CULTURAL CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2022*

16 Related party transactions

The charity operates from 35 Hanover Square, Leeds which is a property owned and controlled by the family of S.Ali, the use of this property has been on a rent-free, no obligation basis.