

CHARITY NUMBER: 1125042

AL-FAROOQ TRUST

TRUSTEES ANNUAL REPORT AND
FINANCIAL STATEMENT FOR
FINANCIAL YEAR ENDING 31 MARCH 2023



AL-FAROOQ TRUST
ANNUAL REPORT AND
FINANCIAL STATEMENT 22/23

CHARITY NUMBER: 1125042

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AL-FAROOQ TRUST
TRUSTEES ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR YEAR ENDED 31 MARCH 2023

The Trustees declare their annual report and financial statements for the year ended 31st March 2023.

Charity Name: - Al-Farooq Trust

Charity Number: 1125042

Principal Address of Charity: -

Masjid Al-Farooq

107 Mill Hill Lane

Derby

DE23 6SB

OBJECTS OF THE CHARITY

a) To advance the religion of Islam...

b) To provide or assist in the provision of facilities in the interests of social welfare, education, recreation or other leisure time occupation of individuals who have need of such facilities ...

c) To preserve and protect health and relieve poverty, distress, sickness and infirmity amongst persons resident in Derby, Burton, Nottingham and Mansfield and the surrounding area....

d) To promotion of equality and diversity for the public benefit by advancing education and raising awareness in equality and diversity.....

The full wording of objectives can be found in the Al-Farooq Trust's Governing document.

NAMES OF THE TRUSTEES

The trustees of the charity are as follows: -

1. Dr. Mohammed Ali Asghar

2. Mr. Asif Khan

3. Mr. Mohammad Jamil

4. Mr. Mohammed Mansha

5. Mr. Adam Ravat

Chair: Mr. Asif Khan

Vice-Chair: Dr. Mohammed Ali Asghar

Secretary: Dr. Mohammed Ali Asghar

The trustees are permanent in nature. The Trustees are volunteers and give their time freely. They receive no remuneration or other benefits.

STRUCTURE, GOVERNANCE & MANAGEMENT

The Al-Farooq Trust is a Trust governed by its constitution adopted in July 2008. The charity was registered with the Charity Commission in 2008.

The trustees meet at regular intervals and are responsible for all decisions in relation to the running of the charity.

APPOINTMENT OF TRUSTEES

The existing permanent Trustees are solely responsible for the appointment of new Trustees.

RISK MANAGEMENT

The trustees seek to take no risks with the running of the charity. The finances of the Charity are kept under constant review.

ACTIVITIES & ACHIEVEMENTS

Since it was formed The Charity has been actively pursuing premises/facilities to deliver its charitable objectives.

As stated in previous years' Annual Reports, The Charity purchased the Christadelphian church on Mill Hill Lane, in December 2015 and has since been modifying this to make it suitable as a mosque so that prayers, lectures, religious instructions to children and adults can be delivered.

In October 2016 The Trust started to run limited evening classes for children from a nearby mosque, who allowed the use of their premises free of charge.

In May 2017 the renovation of the Christadelphian Church was still not completed but sufficient enough to start the services from there. The renovations have now been completed and the facility is fully operational as Masjid Al-Farooq.

This financial year (22/23) the effort has concentrated on raising funds to repay the interest free loans and also a continuation of providing a number of services at Masjid Al-Farooq , including daily prayers, evening education classes and speeches. Fund raising has continued so that we can provide these services, to repay interest free loans and continue with the repair/maintenance of the mosque. As a result the debt with respect to interest free loans has decreased from year 21/22.

The financial review is detailed below.

FINANCIAL REVIEW

The debt with respect to interest free loans has decreased from year 21/22 due to active fund raising efforts.

As at 31/03/23 there was £256,580 outstanding interest-free loans still to be repaid. This has decreased from last year (£286,580). There were no interest free loans received this year, and £30,000 were repaid.

The Total Income for Year 22/23 – £276,745

The Total Expenditure for Year 22/23 – £167,573

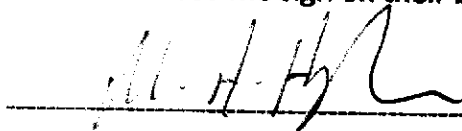
Net movement in funds – £109,190

Funds brought forward from last year (21/22) – £65,602

The bank Balance plus cash in hand at 31st Marc 2023 was £174,774

DECLARATION

I declare in my capacity as Vice-Chair that the Trustees have approved the above report and have authorised me sign on their behalf.

 (Signature)

DR. M. A ASGHAR

DATE: 29th January 2024

REPORT TO THE TRUSTEES OF AL-FAROOQ TRUST (1125042)
ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is our responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedure laid down in the General Directions given by the Charity Commission (under section 145 (5)(b) of the Act; and
- to state whether particular matters have come to our attention.

Basis of independent examiner's statement

Our examination was carried out in accordance with General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosure in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

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

- (1) which gives me reasonable cause to believe that in material respect the requirements;
- to keep accounting records in accordance with section 130 of the 2011 Act, and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



----- (SIGNATURE)

25th January 2024

PROFESSIONAL MEMBERSHIP: INSTITUTE OF FINANCIAL ACCOUNTANTS – Membership No: 192980

RANA AND CO ACCOUNTANTS LIMITED
97 WALBROOK ROAD
DERBY
DE23 8SF

AL-FAROOQ TRUST (DERBY) - CHARITY NUMBER 1125042
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

				Notes	22/23	21/22		
					£	£		
	INCOME RESOURCES							
	Donations + Class Fees				276,570	200,091		
	Sale of Equipment				175	200		
	Total Incoming Resources				276,745	200,291		
	RESOURCES EXPENDED			2				
	Charitable expenditure			2(b)i)	137,573	33,212		
	Repayment of Interest Free Loans			6(h)	30,000	77,000		
	Total Resources Expended				167,573	110,212		
	Net Movement in Funds				109,172	90,079		
	Total Funds Brought Forward				45,542	35,792		
	Bank Balance 31st March 2023				154,714			
	Cash in Hand				20,060			
	TOTAL FUNDS				174,774			

AL-FAROOQ TRUST (DERBY) - CHARITY NUMBER:1125042
BALANCE SHEET FOR THE YEAR ENDED 31 MARCH 2023

				Notes		2023(£)	2022(£)
FIXED ASSETS							
Freehold Land			3		650,000	600,000	
Freehold Buildings			3		550,000	500,000	
Equipment			3		23,000	24,000	
					1,223,000	1,124,000	
CURRENT ASSETS							
Cash at Bank and in hand					174,774	65,602	
CURRENT LIABILITIES							
Interest Free Loans -Qarde Hassanah			6(h)	(256,580)		(286,580)	
TOTAL NET CURRENT ASSETS LESS CURRENT LIABILITIES						(81,806)	(220,978)
NET ASSETS				6(g)	1,141,194	903,022	
FUNDS							
Unrestricted Funds		1,141,194					903,022
Restricted Funds		0					0
Total Funds		1,141,194					903,022

AL-FAROOQ TRUST (DERBY)**NOTES TO FINANCIAL STATEMENT FOR THE YEAR END 31ST MARCH 2023****1. ACCOUNTING POLICIES****a) Basis of accounting**

These accounts have been prepared in accordance with accounting standards, Accounting and Reporting by Charities Statement of Recommended Practise (SORP 2005) and the Charities Act 2022.

2. EXPENDITURE**a) Fees for Examining Accounts**

No fees have been charged for examining these accounts.

b) Analysis of Resources Expended**i) Charitable Expenditure**

	22/23 (£)	21/22 (£)
Building Renovation/Repairs - Labour + Materials	22,403	6,659
Equipment	1,427	14,599
Regulator Fees (OFCOM, ICO etc)	727	115
Office Supplies	374	2,600
Cleaning Supplies & Services	1,473	3,282
Insurances	950	---
Utility Bills	12,711	4,526
Bank Charges	230	15
Broadband	742	715
Madrassah Materials/Supplies	744	---
Salaries Costs (incl PAYE, NIC, Pensions)	21,534	49,644
Professional Services (E.g Tutoring, Imamat Services)	42,370	17,822
Charity Relief	31,688	5,707
Repayment of Interest Free Loans (Creditors)	30,000	77,000
Training	---	170
H&S Equipment and Materials	---	531
Refund of donation	200	---
TOTAL	167,573	183,384

3. FIXED ASSETS

	Building Improvements (£)	Equipment (£)
At 01 April 2022	1,100,000	24,000
Additions	100,000	(1,000)
Disposals		
At 31 March 2023	1,200,000	23,000

4. TRUSTEES AND OTHER RELATED MATTERS

The Trustees are working purely on a non-paid voluntary basis and no payments are made to them for their time or any business expenses. However, from time to time there is a need to purchase goods/equipment online and as the Trust has no credit or debit card arrangements, the Trustees occasionally use their own credit/debit cards and are then reimbursed for the expenditures.

5. CONTINGENT LIABILITIES

No material liabilities existed at the year-end.

6. DECLARATION

a) Charges in Year End

The Trustees have established 31st March as the financial year end.

b) Designated Funds

The Charity does not have designated funds.

c) Discontinued, Continuing and Acquired Operations

The Charity officially started delivering some limited services which are part of its charitable objectives in October 2016. These were evening classes for children and were delivered from Jamia Hanfia Tahleemul Islam (26 Western Road Derby DE23 6SE). These premises are not owned by the Al-Farooq Trust, but Jamia Hanfia Management kindly allow the use of these premises free of charge.

The mosque ("Masjid Al-Farooq") on Mill Hill Lane was ready for occupation in May 2017 and this was when the services started there. The girls evening classes remain at 26 Western Road.

d) Inalienable or historic Assets

The 0.5 acre land at Mill Hill Lane Derby and the freehold property adjacent (ex Christadelphian Church) to this land are inalienable assets, which cannot be sold, transferred or given away. These shall remain for use as mosque(s) or mosque(s) construction including provision of vehicle parking for mosque users or any other structures which are needed for the delivery of the Charity's objectives. These assets shall remain solely for the delivery of the charitable objectives of the Al-Farooq Trust. These have been declared in the balance sheet.

e) Intangible Assets

The Charity has no intangible assets

f) Subsidiaries

The Charity has no subsidiaries

g) Uncapitalised Fixed Assets

The Charity has no material fixed assets, which have not been capitalised and included in the balance sheet.

h) Qarde Hasana

The Qarde Hasana loans are interest free and over no fixed time period.