

Registered number: 06783182
Charity number: 1127750

AL MAHDI CENTRE
(A company limited by guarantee)

UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

AL MAHDI CENTRE
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees

J Bandali, former Treasurer (resigned 1 July 2022)
H Nurmohamed (resigned 1 July 2022)
S Walji (resigned 1 July 2022)
M Jaffer
Z Asharia, Treasurer (appointed 1 July 2022)
M Master (appointed 1 July 2022)
M Hooda (appointed 1 July 2022)

Company registered number

06783182

Charity registered number

1127750

Registered office

Al Mahdi Centre, Fontley Road, Titchfield, Fareham, Hampshire, PO15 6QR

Accountants

Clifford Fry & Co LLP, St Mary's House, Netherhampton, Salisbury, Wiltshire, SP2 8PU

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their annual report together with the financial statements of the company for the 1 January 2022 to 31 December 2022. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. Policies and objectives

- (1) The advancement of islam in accordance with the tenets and doctrines of the shia ithna asheri shariah (which expression means the laws and rules of the shia school of thought, and hereinafter references to the shariah shall be construed as references to the shia ithna asheri shariah);
- (2) the promotion and advancement of education in accordance with the shariah;
- (3) the relief of poverty and disease amongst the adherents of the shia ithna asheri faith.

Achievements and performance

a. Key financial performance indicators

The income for the year was £25,057 (2021: £22,594)
The expenditure for the year was £35,499 (2021: £6,667)

b. Review of activities

The trustees consider that the performance of the Charity has been satisfactory. The Charity has been successful in fulfilling its aims and objectives. The Charity has fulfilled its objectives and ensured that it has used all mediums at its disposal to promote the Charity.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 07/01/2009 .

The company is constituted under a Memorandum of Association dated 07/01/2009 and is a registered charity number 1127750. The company commenced its activities in line with its vision and the trust deed and memorandum on 01/01/2019.

b. Method of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. Risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

This report was approved by the Trustees, on 22/09/23 and signed on their behalf by:



.....
Z Asharia, Treasurer



.....
M Master

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AL MAHDI CENTRE
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Independent examiner's report to the Trustees of Al Mahdi Centre (the 'company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 December 2022.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's 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 company and the company's Trustees as a body, for my work or for this report.

Responsibilities and basis of report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company 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 company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the 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 can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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 accounts to be reached.

Signed:



Dated:

22/09/23

Erica Parker FCCA

Clifford Fry & Co LLP

St Mary's House
Netherhampton
Salisbury
Wiltshire
SP2 8PU

AL MAHDI CENTRE
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**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	2	5,018	5,018	2,230
Charitable activities	3	20,039	20,039	20,364
Total income		25,057	25,057	22,594
Expenditure on:				
Charitable activities	4,5	35,499	35,499	6,667
Total expenditure		35,499	35,499	6,667
Net income / (expenditure) before other recognised gains and losses		(10,442)	(10,442)	15,927
Net movement in funds		(10,442)	(10,442)	15,927
Reconciliation of funds:				
Total funds brought forward		1,885,460	1,885,460	1,869,533
Total funds carried forward		1,875,018	1,875,018	1,885,460

The notes on pages 7 to 13 form part of these financial statements.

AL MAHDI CENTRE
(A company limited by guarantee)
REGISTERED NUMBER: 06783182

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	7		1,878,985		1,878,985
Current assets					
Debtors	8	-		11,449	
Cash at bank and in hand		1,858		508	
		<u>1,858</u>		<u>11,957</u>	
Creditors: amounts falling due within one year	9	(5,825)		(5,482)	
Net current (liabilities)/assets			<u>(3,967)</u>		<u>6,475</u>
Net assets			<u><u>1,875,018</u></u>		<u><u>1,885,460</u></u>
Charity Funds					
Restricted funds	10		<u>1,875,018</u>		<u>1,885,460</u>
Total funds			<u><u>1,875,018</u></u>		<u><u>1,885,460</u></u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees 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 financial statements were approved and authorised for issue by the Trustees on 22/09/23 and signed on their behalf, by:



.....
Z Asharia, Treasurer



.....
M Master

The notes on pages 7 to 13 form part of these financial statements.

AL MAHDI CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Al Mahdi Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Reconciliation with previous Generally Accepted Accounting Practice

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

1.3 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.4 Going concern

At the time of approving the financial statements, the trustees have 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.

1.5 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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

1. Accounting policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the company's operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

1.7 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	N/A - Investment property measured at cost
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1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

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

1. Accounting policies (continued)

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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

2. Income from voluntary income

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Feed in Tariff	3,167	3,167	975
GAS Grant	1,851	1,851	1,255
	<u>5,018</u>	<u>5,018</u>	<u>2,230</u>
Total voluntary income	5,018	5,018	2,230
	<u>2,230</u>	<u>2,230</u>	
Total 2021	2,230	2,230	

3. Income from charitable activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Property rental income	20,039	20,039	20,364
	<u>20,039</u>	<u>20,039</u>	<u>20,364</u>
Total 2021	20,364	20,364	

4. Support costs

	Activities £	Total 2022 £	Total 2021 £
Legal and professional fees	13	13	13
Insurance	7,146	7,146	5,813
Property repairs and maintenance	27,458	27,458	-
	<u>34,617</u>	<u>34,617</u>	<u>5,826</u>
Total 2021	5,826	5,826	

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

5. Governance costs

	Total funds 2022 £	Total funds 2021 £
Independent examiner's fees	882	841

6. Net income/(expenditure)

During the year, no Trustees received any remuneration (2021 - £NIL).
During the year, no Trustees received any benefits in kind (2021 - £NIL).
During the year, no Trustees received any reimbursement of expenses (2021 - £NIL).

7. Tangible fixed assets

	Freehold property £
Cost	
At 1 January 2022 and 31 December 2022	1,878,985
Depreciation	
At 1 January 2022 and 31 December 2022	-
Net book value	
At 31 December 2022	1,878,985
At 31 December 2021	1,878,985

Included in land and buildings is freehold land at valuation of £565,000 (2021: £565,000), cost £565,000 (2021: £565,000) which is not depreciated.

8. Debtors

	2022 £	2021 £
Other debtors	-	11,449

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

9. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other loans	-	4,642
Other creditors	4,943	-
Accruals and deferred income	882	840
	<u>5,825</u>	<u>5,482</u>

10. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Restricted funds				
Foundation Fund	1,885,460	25,057	(35,499)	1,875,018

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
Restricted funds				
Foundation Fund	1,869,533	22,594	(6,667)	1,885,460

AL MAHDI CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

11. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	1,878,985	1,878,985
Current assets	1,858	1,858
Creditors due within one year	(5,825)	(5,825)
	<u>1,875,018</u>	<u>1,875,018</u>

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,878,985	1,878,985
Current assets	11,957	11,957
Creditors due within one year	(5,482)	(5,482)
	<u>1,885,460</u>	<u>1,885,460</u>

12. Related party transactions

The trustees M Jaffer, Z Asharia, M Master and M Hooda are trustees in The Wessex Shia Ithna Asheri Jamaat. Included in other creditors is a loan to this company of £4,943 (2021: £11,449 loan from).

13. Controlling party

There is no overall controlling party.