

**REPORT OF THE TRUSTEES**  
**AND**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022**  
**FOR**  
**SAKINA TRUST**  
**(A company limited by guarantee)**

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**Alis Accountax & Co**

Suite 1 First Floor

81 Old Church

Road

London E4 6ST

Telephone: 0208 616 2376

Email: [ali@alisaccountax.com](mailto:ali@alisaccountax.com)

Website: [alisaccountax.com](http://alisaccountax.com)

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**SAKINA TRUST**

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**FOR THE YEAR ENDED 31 JULY 2022**

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## **SAKINA TRUST**

### **REPORT OF THE TRUSTEES** **FOR THE YEAR ENDED 31 JULY 2022**

The Trustees who are also the Directors present their report with the financial statements for the year ended 31 JULY 2022.

The financial statements have been prepared in accordance with accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities".

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

1131262

##### **Company number**

06969444

##### **Principal address**

7-8 Vestry Road

London

E17 9NH

##### **Trustees**

Muhammad Jaffar Shah (Chair)

M Abrar Ahmed

S Hassan Bokhari

H Askari Bokhari

B Hussain Shah

Z Hussain Shah

W Hussain Shah

Shan-E-Abbas Hassanali

Mahmood Raza Jessa

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

##### **Governing document**

The charity is controlled by its governing document, memorandum of association. The charity is a private company, limited by guarantee with no share capital.

##### **Objectives**

To advise the Islamic Religion in accordance with the teachings of the Holy Quran and The Sunnah of Prophet Muhammad (SAW) to the Muslim community in accordance with the interpretations and doctrine based on figh-e-jaaferriya.

##### **Review of activities**

Praise is be to Allah (swt) and Thanks to our SHIA community, whose patronage and donations have seen the building and renovation work at SAKINA TRUST come to, albeit delayed but almost satisfactory completion.

The main building containing two halls with a floor area of 1000sq feet and administrative wing, library, commercial kitchen, self contained guest quarters, resident scholar's flat is equipped with all the necessary amenities for comfort and practicality. The main entrance and basement are awaiting council input, which somewhat is delayed by the Pandemic. However, the normal running of SKAINA TRUST remains unhampered.

##### **Financial review**

During the year the Trust had net loss for the year of **£22,746**.

## **SAKINA TRUST**

### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

### **Statement of Trustees responsibilities**

For Companies Act purposes the Board of Trustees are also the Directors. The Trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Generally accepted Accounting Practice.

Company law requires the Trustees to prepare the financial statements for each financial year which gives a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources, including its net income and expenditure for the year.

In preparing these accounts, the Trustees are required to:

- (i) Select suitable accounting policies and then apply them consistently;
- (ii) Make adjustments and estimates that are reasonable and prudent;
- (iii) And prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charity and which enable them to ensure that the accounts 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.

### **Disclosure of information to Independent Examiners**

The Trustees confirm that so far as they are aware, there is no relevant information of which the charitable company's Independent Examiner are unaware. They have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant information and to establish that the company's examiners are aware of that information.

### **ON BEHALF OF THE BOARD:**

.....  
Muhammad Jaffar Shah (Chair) - Trustee

Date: 12 MAY 2023.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF**  
**SAKINA TRUST**

I report on the accounts for the year ended 31 JULY 2022 set out on pages three to seven.

**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 required.

It is my responsibility to:

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

**Basis of the independent examiner's report**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as 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 statements 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 any 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 to 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.

Sheheryar Ali (FFA)  
Alis Accountax & Co  
Suite 1 First Floor  
81 Old Church Road  
London  
E4 6ST

Date: 12 May 2023

**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 JULY 2022**

|  |   | 2022<br>Unrestricted<br>fund<br>£ | 2021<br>Total funds<br>£ |
|--|---|-----------------------------------|--------------------------|
| <b>INCOMING RESOURCES</b>                      |   |                                   |                          |
| <b>Incoming resources from generated funds</b> |   |                                   |                          |
| Voluntary income                               |   | 111,667                           | 103,908                  |
| Investment income                              | 2 | <u>1</u>                          | <u>1</u>                 |
| <b>Total incoming resources</b>                |   | 111,668                           | 103,909                  |
| <b>RESOURCES EXPENDED</b>                      |   |                                   |                          |
| <b>Charitable activities</b>                   |   |                                   |                          |
| Charitable activities                          |   | 116,802                           | 85,098                   |
| Governance costs                               |   | 14,962                            | 12,860                   |
| Other resources expended                       |   | <u>2,650</u>                      | <u>2,600</u>             |
| <b>Total resources expended</b>                |   | 134,414                           | 100,558                  |
| <b>NET INCOMING RESOURCES</b>                  |   | (22,746)                          | 3,351                    |
| <b>RECONCILIATION OF FUNDS</b>                 |   |                                   |                          |
| <b>Total funds brought forward</b>             |   | 699,052                           | 695,701                  |
| <b>TOTAL FUNDS CARRIED FORWARD</b>             |   | <b><u>676,306</u></b>             | <b><u>699,052</u></b>    |

**SAKINA TRUST**

**BALANCE SHEET**  
**AT 31 JULY 2022**

|  |       | 2022<br>Unrestricted<br>fund<br>£ | 2021<br>Total funds<br>£ |
|--|-------|-----------------------------------|--------------------------|
| <b>FIXED ASSETS</b>                          | Notes |                                   |                          |
| Tangible assets                              | 4     | 687,204                           | 699,632                  |
| <b>CURRENT ASSETS</b>                        |       |                                   |                          |
| Cash at bank                                 |       | 26,856                            | 101,840                  |
| <b>CREDITORS</b>                             |       |                                   |                          |
| Amounts falling due within one year          | 5     | (37,754)                          | (102,420)                |
| <b>NET CURRENT ASSETS</b>                    |       | <u>(10,898)</u>                   | <u>(580)</u>             |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>676,306</u>                    | <u>699,052</u>           |
| <b>NET ASSETS</b>                            |       | <u>676,306</u>                    | <u>699,052</u>           |
| <b>FUNDS</b>                                 | 6     |                                   |                          |
| Unrestricted funds                           |       | <u>676,306</u>                    | <u>699,052</u>           |
| <b>TOTAL FUNDS</b>                           |       | <u><b>676,306</b></u>             | <u><b>699,052</b></u>    |

The financial statements were approved by the Board of Trustees on 12 May 2023 and were signed on its behalf by:

.....  
Muhammad Jaffar Shah (Chair) -Trustee

## SAKINA TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

#### 1. ACCOUNTING POLICIES

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Charities Act and the requirements of the Statement of Recommended Practice (SORP), Accounting and Reporting by Charities

##### **Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

##### **Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

|                          |                           |
|--------------------------|---------------------------|
| Improvements to property | - 2% on cost              |
| Plant and machinery      | - 20% on reducing balance |
| Fixtures and fittings    | - 20% on reducing balance |
| Motor vehicles           | - 20% on reducing balance |

##### **Taxation**

The charity is exempt from tax on its charitable activities.

##### **Fund accounting**

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

#### 2. INVESTMENT INCOME

|               | 2022     | 2021     |
|---------------|----------|----------|
|               | £        | £        |
| Bank interest | <u>1</u> | <u>1</u> |

#### 3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 JULY 2022 not for the year ended 31 July 2021.

##### **Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 JULY 2022 or for the year ended 31 July 2021.

##### **Related Party Transactions**

There have been no related party transactions carried out during the year.



**SAKINA TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2022**

**4. TANGIBLE FIXED ASSETS**

|                       | Freehold<br>property<br>£ | Improvements<br>to property<br>£ | Plant and<br>machinery<br>£ |
|-----------------------|---------------------------|----------------------------------|-----------------------------|
| <b>COST</b>           |                           |                                  |                             |
| At 01 AUGUST 2021     | 213,859                   | 573,026                          | 8,565                       |
| Additions             |                           |                                  |                             |
| At 31 JULY 2022       | <u>213,859</u>            | <u>573,026</u>                   | <u>8,565</u>                |
| <b>DEPRECIATION</b>   |                           |                                  |                             |
| At 01 AUGUST 2021     | -                         | 92,099                           | 6718                        |
| Charge for year       | <u>-</u>                  | <u>11,460</u>                    | <u>369</u>                  |
| At 31 JULY 2022       | <u>-</u>                  | <u>103,559</u>                   | 7087                        |
| <b>NET BOOK VALUE</b> |                           |                                  |                             |
| At 31 JULY 2022       | <u>213,859</u>            | <u>469,467</u>                   | <u>1478</u>                 |
| At 31 JULY 2021       | <u>213,859</u>            | <u>480,927</u>                   | <u>1847</u>                 |

|                       | Fixtures and<br>fittings<br>£ | Motor<br>vehicles<br>£ | <b>Totals</b><br>£ |
|-----------------------|-------------------------------|------------------------|--------------------|
| <b>COST</b>           |                               |                        |                    |
| At 01 AUGUST 2020     | 20,336                        | 5,000                  | 820,786            |
| Additions             | <u>-</u>                      | <u>-</u>               | <u>0</u>           |
| At 31 JULY 2021       | <u>20,336</u>                 | <u>5,000</u>           | <u>820,786</u>     |
| <b>DEPRECIATION</b>   |                               |                        |                    |
| At 01 AUGUST 2021     | 18,042                        | 4,295                  | 121,154            |
| Charge for year       | <u>458</u>                    | <u>141</u>             | <u>12,428</u>      |
| At 31 JULY 2022       | <u>18,500</u>                 | <u>4,436</u>           | <u>133,582</u>     |
| <b>NET BOOK VALUE</b> |                               |                        |                    |
| At 31 JULY 2022       | <u>1,836</u>                  | <u>564</u>             | <u>687,204</u>     |
| At 31 JULY 2021       | <u>2,294</u>                  | <u>705</u>             | <u>699,632</u>     |

**5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                 | 2022<br>£     | 2021<br>£      |
|-----------------|---------------|----------------|
| Other creditors | <u>37,754</u> | <u>102,840</u> |

**SAKINA TRUST**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 JULY 2022**

**6. MOVEMENT IN FUNDS**

|                           | At 01.08.21<br>£ | Net movement<br>in funds<br>£ | At 31.07.22<br>£ |
|---------------------------|------------------|-------------------------------|------------------|
| <b>Unrestricted funds</b> |                  |                               |                  |
| General fund              | 699,052          | (22,746)                      | 676,306          |
|                           | <hr/>            | <hr/>                         | <hr/>            |
| <b>TOTAL FUNDS</b>        | <u>699,052</u>   | <u>(22,746)</u>               | <u>676,306</u>   |

Net movement in funds, included in the above are as follows:

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement in<br>funds<br>£ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                           |
| General fund              | 111,668                    | (134,414)                  | (22,746)                  |
|                           | <hr/>                      | <hr/>                      | <hr/>                     |
| <b>TOTAL FUNDS</b>        | <u>111,668</u>             | <u>(134,414)</u>           | <u>(22,746)</u>           |

**SAKINA TRUST**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 JULY 2022**

|                                 | 2022<br>£              | 2021<br>£           |
|---------------------------------|------------------------|---------------------|
| <b>INCOMING RESOURCES</b>       |                        |                     |
| <b>Voluntary income</b>         |                        |                     |
| Donations                       | <u>111,667</u>         | <u>103,908</u>      |
|                                 | 111,667                | 103,908             |
| <b>Investment income</b>        |                        |                     |
| Bank interest                   | <u>1</u>               | <u>1</u>            |
| <b>Total incoming resources</b> | 111,668                | 103,909             |
| <b>RESOURCES EXPENDED</b>       |                        |                     |
| <b>Charitable activities</b>    |                        |                     |
| Rent and rates                  | 23,502                 | 19,761              |
| Insurance                       | 7,697                  | 4,938               |
| Light and heat                  | 15,960                 | 12,773              |
| Telephone                       | 1,548                  | 1,146               |
| Commuting Expenses              | 837                    | 644                 |
| Cleaning                        | 3,580                  | 2,906               |
| Motor Expenses                  | 12,840                 | 9,918               |
| Repairs and Renewals            | 18,868                 | 4,242               |
| Functions and Events            | 20,650                 | 17,842              |
| Legal and Professional Fees     | 1800                   | 1,123               |
| Funeral Expenses                | 8,534                  | 9,007               |
| Subscriptions                   | <u>986</u>             | <u>728</u>          |
|                                 | 116,802                | 85,098              |
| <b>Governance costs</b>         |                        |                     |
| Postage and Stationery          | 204                    | 192                 |
| Accountancy                     | 1,200                  | 960                 |
| Publications and Promotions     | 980                    | 933                 |
| Sundry Expenses                 | 150                    | 120                 |
| Improvements to property        | 11,460                 | 9,445               |
| Plant and machinery             | 369                    | 461                 |
| Fixtures and fittings           | 458                    | 573                 |
| Motor Vehicles                  | <u>141</u>             | <u>176</u>          |
|                                 | 14,962                 | 12,860              |
| <b>Other resources expended</b> |                        |                     |
| Donations paid                  | <u>2,650</u>           | <u>2,600</u>        |
| <b>Total resources expended</b> | 134,414                | 100,558             |
| <b>Net income/Surplus</b>       | <u><u>(22,746)</u></u> | <u><u>3,351</u></u> |

This page does not form part of the statutory financial statements