

**Report of the Trustees and  
Unaudited Financial Statements  
for the Year Ended 31 December 2021**

## Contents of the Financial Statements for the Year Ended 31 December 2021

	Page
Report of the Trustees	1 to 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5 to 6
Notes to the Financial Statements	7 to 11
Detailed Statement of Financial Activities	12

# AL KAWTHAR FOUNDATION

## **Report of the Trustees for the Year Ended 31 December 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021.

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims**

The Deed of Trust dated 23 December 2009 and as amended by the Deed of Variation dated 15 February 2010, outlines the objects of the charity to be:

- a) The relief of poverty, sickness and distress by providing such services and facilities as are necessary including food, Clothing and medical supplies;
- b) To advance the Islamic religion in accordance with the "Shia" school of thought by such means as the Trustees in their absolute discretion determine;
- c) To advance education by providing grants and such items, services and facilities as required particularly, but not exclusively for the benefit of young people.

#### **Grantmaking**

During the period, a total of £203,510 (2020 - £44,101) was granted to various UK Registered Charities in connection with educational, poverty relief and Covid relief.

### **ACHIEVEMENT AND PERFORMANCE**

#### **Investment performance**

The charity continued to rent the property at Prospect House, 50 Leigh Road, Eastleigh for an annual rent of £10,000 for 50% of the property.

### **FINANCIAL REVIEW**

#### **Financial position**

The charity continues to benefit from voluntary donations without the need for actively sourcing these or making appeals.

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

#### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **Registered Charity number**

1134628

## Report of the Trustees for the Year Ended 31 December 2021

### REFERENCE AND ADMINISTRATIVE DETAILS

#### Principal address

Prospect House  
50 Leigh Road  
Eastleigh  
Hampshire  
SO50 9DT

#### Trustees

Mr Shabbirali Mohamed Husein Walji FCA  
Mrs Nurjehan Shabbirali Walji  
Mr Rizwan Shafiq Walji ACCA  
Mr Rezahussein Mahmood Hooda FCA CTA

#### Independent examiner

Mrs Tracy Modha MAAT  
Merrifield  
Oakhill  
Bursledon  
Southampton  
Hampshire  
SO31 8AS

Approved by order of the board of trustees on 4<sup>th</sup> March 2022 and signed on its behalf by:

.....  
Shabbirali Mohamed Husein Walji FCA – Trustee

## Independent Examiner's Report to the Trustees of Al-Kawthar Foundation

I report on the accounts for the year ended 31 December 2021 set out on pages five to twelve.

### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts in accordance with the Charities Act 2011 ("the Act").

The charity's trustees consider that an audit is not required for this year under Section 144 of the Act and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the Charities Act
- to follow the applicable Directions given by the Charity Commission (under section 145(5)(b) of the 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 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 Acthave 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.

Mrs Tracy Modha MAAT  
Merrifield  
Oakhill  
Bursledon  
Southampton  
Hampshire  
SO31 8AS

Date: 4th March 2022

# AL KAWTHAR FOUNDATION

## Statement of Financial Activities for the Year Ended 31 December 2021

		31.12.21 Unrestricted funds £	31.12.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>	Notes		
Donations and legacies		64,000	83,000
Investment income	2	<u>10,000</u>	<u>10,000</u>
<b>Total</b>		<b>74,000</b>	<b>93,000</b>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
The Lady Fatemah (as) Charitable Trust (Charity No. 1072270)		1,000	3,210
Orison Charitable Trust (Charity No. 1098822)		3,535	8,450
The World Federation of KSIMC (Charity No. 282303)		22,200	13,160
The Wessex Jamaat (Charity No. 1010076)		166,180	10,340
The Imam Hussein Foundation (Charity No. 1109002)		1,900	-
Beta Charitable Trust (Charity No. 1103023)		3,100	-
Al-Zahra Association (Charity No. 1142491)		-	250
Al Mahdi Centre (Charity No. 1127750)		-	2,522
Other Charities		5,595	6,168
Other		<u>84</u>	<u>102</u>
<b>Total</b>		<b>203,594</b>	<b>44,202</b>
<b>NET (DEFICIT)/INCOME</b>		<b>(129,594)</b>	<b>48,798</b>
<b>Other recognised gains/(losses)</b>			
Gains/(Losses) on revaluation of fixed assets		-	-
Gain/(Loss) on disposal of fixed assets		<u>-</u>	<u>-</u>
<b>Net movement in funds</b>		<b>(129,594)</b>	<b>48,798</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<b>332,822</b>	<b>284,024</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>203,228</u></b>	<b><u>332,822</u></b>

# AL KAWTHAR FOUNDATION

## Balance Sheet At 31 December 2021

			31.12.21 Unrestricted funds £	31.12.20 Total funds £
	Notes	£		
<b>FIXED ASSETS</b>				
Tangible assets	5		<u>120,000</u>	<u>120,000</u>
			120,000	120,000
<b>CURRENT ASSETS</b>				
Debtors: amounts falling due within one year	6		3,000	9,000
Debtors: amounts falling due after more than one year	6		-	3,000
Cash at bank			<u>80,728</u>	<u>201,222</u>
			83,728	213,222
<b>CREDITORS</b>				
Amounts falling due within one year	7		<u>(500)</u>	<u>(400)</u>
<b>NET CURRENT ASSETS</b>			<u>83,228</u>	<u>212,822</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>203,228</u>	<u>332,822</u>
<b>NET ASSETS</b>			<u>203,228</u>	<u>332,822</u>
<b>FUNDS</b>	8			
Unrestricted funds			<u>203,228</u>	<u>332,822</u>
<b>TOTAL FUNDS</b>			<u>203,228</u>	<u>332,822</u>

The financial statements were approved by the Board of Trustees on 4th March 2022 and were signed on its behalf by:

.....  
Shabbirali Mohamed Husein Walji FCA-Trustee

## Notes to the Financial Statements for the Year Ended 31 December 2021

### 1. ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

The financial statements of the charity 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 with the Charities Act 2011.

#### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

#### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### **Tangible fixed assets**

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

Freehold property	- not provided
-------------------	----------------

#### **Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

#### **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.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.



# AL KAWTHAR FOUNDATION

## Notes to the Financial Statements - continued for the Year Ended 31 December 2021

### 2. INVESTMENT INCOME

	31.12.21	31.12.20
	£	£
Rents received	<u>10,000</u>	<u>14,000</u>

### 3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

### 4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
<b>INCOME AND ENDOWMENTS FROM</b>	
Donations and legacies	83,000
Investment income	<u>10,000</u>
<b>Total</b>	<b>93,000</b>
<b>EXPENDITURE ON</b>	
<b>Charitable activities</b>	
The Lady Fatemah (as) Charitable Trust	3,210
Orison Charitable Trust	8,450
The World Federation of KSIMC	13,160
The Wessex Jamaat	10,340
Al-Zahra Association	250
Al Mahdi Centre	2,522
Other Charities	6,168
Other	<u>102</u>
<b>Total</b>	<b>44,202</b>
<b>NET INCOME</b>	<b>48,798</b>

# AL KAWTHAR FOUNDATION

## Notes to the Financial Statements - continued for the Year Ended 31 December 2021

### 4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted  
funds  
£

#### Other recognised gains/(losses)

Gain on revaluation of fixed assets

-

Loss on disposal of fixed assets

-

-

Net movement in funds

#### RECONCILIATION OF FUNDS

Total funds brought forward

284,024

TOTAL FUNDS CARRIED FORWARD

322,822

### 5. TANGIBLE FIXED ASSETS

Freehold  
property  
£

#### COST OR VALUATION

At 1 January 2021

120,000

Addition/(disposal)

-

At 31 December 2021

120,000

#### NET BOOK VALUE

At 31 December 2021

120,000

At 31 December 2020

120,000

### 6. DEBTORS

31.12.21  
£

31.12.20  
£

Amounts falling due within one year:

Trade debtors

-

-

Loan to Wessex Jamaat

3,000

9,000

Gift Aid claimable

-

-

3,000

9,000

# AL KAWTHAR FOUNDATION

## Notes to the Financial Statements - continued for the Year Ended 31 December 2021

### 6. DEBTORS - continued

	31.12.21 £	31.12.20 £
Amounts falling due after more than one year:		
Loan to Wessex Jamaat	<u>-</u>	<u>3,000</u>
Aggregate amounts	<u>3,000</u>	<u>12,000</u>

An interest free loan of £40,000 was provided in February 2019 to Wessex Jamaat (a charity registered in the UK under number 1010076) to assist with their Foundation Fund. The loan is due to be settled by April 2022. Repayment of the loan commenced in May 2019.

### 7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 £
Bank loans and overdrafts	-	-
Taxation and social security	<u>500</u>	<u>400</u>
	<u>500</u>	<u>400</u>

### 8. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
<b>Unrestricted funds</b>			
General fund	312,196	(129,594)	182,602
Sadaat fund	-	-	-
Al-Mahdi	-	-	-
Revaluation Fund	<u>20,626</u>	<u>-</u>	<u>20,626</u>
	<u>332,822</u>	<u>(129,594)</u>	<u>203,228</u>
<b>TOTAL FUNDS</b>	<u>332,822</u>	<u>(129,594)</u>	<u>203,228</u>

# AL KAWTHAR FOUNDATION

## Notes to the Financial Statements – continued for the Year Ended 31 December 2020

### 8. MOVEMENT IN FUNDS – continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	74,000	(203,594)	-	129,594
Sadaat fund	-	-	-	-
Al-Mahdi	-	-	-	-
Revaluation Reserve	-	-	-	-
	<u>74,000</u>	<u>(203,594)</u>	<u>-</u>	<u>129,594</u>
<b>TOTAL FUNDS</b>	<u><u>74,000</u></u>	<u><u>(203,594)</u></u>	<u><u>-</u></u>	<u><u>129,594</u></u>

### 9. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

# AL KAWTHAR FOUNDATION

## Detailed Statement of Financial Activities for the Year Ended 31 December 2021

	31.12.21 £	31.12.20 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations	51,200	66,400
Gift aid	<u>12,800</u>	<u>16,600</u>
	64,000	83,000
<b>Investment income</b>		
Rents received	<u>10,000</u>	<u>10,000</u>
<b>Total incoming resources</b>	74,000	93,000
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Grants to institutions	203,510	44,100
Grants to individuals	<u>-</u>	<u>-</u>
	203,510	44,100
<b>Other</b>		
Repairs and renewals	-	400
Bank charges	<u>84</u>	<u>62</u>
	84	102
<b>Total resources expended</b>	203,594	44,202
Gain/(Loss) on disposal of assets	<u>-</u>	<u>-</u>
<b>Net (deficit)/income</b>	<u>(129,594)</u>	<u>48,798</u>