

Company registration number: 07101073

Charity registration number: 1137312

Sultan Bahu Centre Ltd

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

Sultan Bahu Centre Ltd

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Sultan Bahu Centre Ltd

Reference and Administrative Details

Trustees	Mr Sultan Fiaz ul Hassan Mr Sultan Niaz ul Hassan Mr Mohammad Ramzan
Principal Office	962 Alum Rock Road Ward End Birmingham West Midlands B8 2LS
Registered Office	962 Alum Rock Road Ward End Birmingham West Midlands B8 2LS
Company Registration Number	07101073
Charity Registration Number	1137312
Bankers	HSBC Bank Plc PO Box 68 130 New Street Birmingham B2 4JW
Independent Examiner	Nasir Rafiq Dua Governance 123-131 Bradford Street Bradford Court Birmingham B12 0NS

Sultan Bahu Centre Ltd

Strategic Report for the Year Ended 31 March 2022

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2022, in compliance with s414C of the Companies Act 2006.

Achievements and performance

The charity has continued to achieve its charitable purposes and meet its development targets this year. The process of upgrading systems, procedures and policies to ensure improved service delivery, openness, transparency and accountability has continued over the year and significant milestones have been reached.

Evening and Weekend Supplementary Education

The charity provides supplementary classes primarily for children between the ages of 6 and 11. The number of children attending these supplementary classes has substantially increased over the last few years and during the last year in the region of four thousand children attended classes throughout the network. Children are offered a broad based and traditional Islamic education based on the Sufi principles of enriching the spiritual state, serving humanity and peaceful co-existence with others.

The charity is committed to developing users so that they can be upright Muslims and law-abiding citizens that make a valuable contribution to the UK. In addition, supplemental classes are offered in English and Maths to support achievement at school. Internal assessments are carried out regularly and this has aided in measuring improvement and strategizing to build on the success of the achievements.

Worship and Islamic Education

The charity is committed to providing facilities for regular worship and to providing opportunities for its users to develop their knowledge and practice of Islam. It is also committed to bringing to its users a mature, well developed form of British Islam appropriate to the society in which they live and work. The directors consider the achievement of the charity during the year satisfactory.

Financial review

During the period, the charity raised £116k (2021: £98k) and after spending £110k (2021: £108k).

The charity carry forward reserves stood at £41k (2021: £35k).

Policy on reserves

The charity has sufficient reserves to continue providing its planned services.

The strategic report was approved by the trustees of the charity on **24/01/2023** and signed on its behalf by:



.....
Mr Sultan Niaz ul Hassan
Trustee

Sultan Bahu Centre Ltd

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2022.

Objects and aims

The charity's objective and its principal activity to promote the provision of education and training, preparing individuals for either further education or employment. To provide social, leisure and cultural facilities to the resident of the Ward end area of Washwood Heath Ward, Birmingham and the neighbourhood. The building is maintained and used for this purpose.

Public benefit

The activities undertaken to further public benefit and discussed in the strategic report.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

Grants are made to faith based charities that have similar ethos and ideology as the Charity.

Structure, governance and management

Nature of governing document

Sultan Bahu Centre Ltd is a charitable company limited by guarantee, incorporated 10 December 2009 as amended by special resolution on the 5 July 2010. Sultan Bahu Centre Ltd, registered with the Charity Commission on the 31 May 2013. It is governed by a memorandum and articles of association and seeks to promote education, training, and provide social and leisure activities.

Recruitment and appointment of trustees

No new trustees have been appointed in the period. Any new trustees are nominated by members of the board of trustees, interviewed and then appointed where they have the necessary skills and knowledge to contribute to the charity's development and management.

Induction and training of trustees

The new trustees are briefed on their legal obligations under charity laws and regulations, the committee and decision making process, the recent financial performance and the future plans and objectives of the charity.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on **24/01/2023** and signed on its behalf by:



Mr Sultan Niaz ul Hassan
Trustee

Sultan Bahu Centre Ltd

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Sultan Bahu Centre Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the 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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the 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 the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Sultan Bahu Centre Ltd

Independent Examiner's Report to the trustees of Sultan Bahu Centre Ltd

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2022 which are set out on pages 6 to 14.

Respective responsibilities of trustees and examiner

As the charity's trustees of Sultan Bahu Centre Ltd (and also 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 Sultan Bahu Centre Ltd 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 your charity's accounts as 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 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 Sultan Bahu Centre Ltd 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.


.....
Nasir Rafiq
ICAEW

Dua Governance
123-131 Bradford Street
Bradford Court
Birmingham
B12 0NS

Date: 24.1.2023

Sultan Bahu Centre Ltd

**Statement of Financial Activities for the Year Ended 31 March 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Total 2022 £
Income and Endowments from:			
Donations and legacies	2	86,960	86,960
Other income	3	28,743	28,743
Total income		115,703	115,703
Expenditure on:			
Charitable activities	4	(110,151)	(110,151)
Total expenditure		(110,151)	(110,151)
Net income		5,552	5,552
Net movement in funds		5,552	5,552
Reconciliation of funds			
Total funds brought forward		35,006	35,006
Total funds carried forward	17	40,558	40,558

	Note	Unrestricted funds £	Total 2021 £
Income and Endowments from:			
Donations and legacies	2	32,453	32,453
Other income	3	65,526	65,526
Total income		97,979	97,979
Expenditure on:			
Charitable activities	4	(107,807)	(107,807)
Total expenditure		(107,807)	(107,807)
Net expenditure		(9,828)	(9,828)
Net movement in funds		(9,828)	(9,828)
Reconciliation of funds			
Total funds brought forward		44,834	44,834
Total funds carried forward	17	35,006	35,006

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 17.

Sultan Bahu Centre Ltd

(Registration number: 07101073)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	27,735	30,312
Current assets			
Debtors	12	5,000	5,000
Cash at bank and in hand	13	8,996	1,597
		13,996	6,597
Creditors: Amounts falling due within one year	14	(1,173)	(1,903)
Net current assets		12,823	4,694
Net assets		40,558	35,006
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		40,558	35,006
Total funds	17	40,558	35,006

For the financial year ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 6 to 14 were approved by the trustees, and authorised for issue on **24/01/2023** and signed on their behalf by:



Mr Sultan Niaz ul Hassan
Trustee

Sultan Bahu Centre Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Sultan Bahu Centre Ltd 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 notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Sultan Bahu Centre Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Tangible Assets: 8.5%

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Sultan Bahu Centre Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2 Income from donations and legacies

	Unrestricted funds		
	General £	Total 2022 £	Total 2021 £
Donations and legacies;			
Donations	86,960	86,960	32,453
	<u>86,960</u>	<u>86,960</u>	<u>32,453</u>

3 Other income

	Unrestricted funds		
	General £	Total 2022 £	Total 2021 £
HMRC JRS grant	28,743	28,743	65,526
	<u>28,743</u>	<u>28,743</u>	<u>65,526</u>

Sultan Bahu Centre Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

4 Expenditure on charitable activities

	Unrestricted funds		
	General	Total	Total
	£	2022	2021
		£	£
Staff costs	68,167	68,167	67,757
Bahu centre	36,632	36,632	35,734
Depreciation, amortisation and other similar costs	2,577	2,577	2,816
Governance costs	2,776	2,776	1,500
	<u>110,152</u>	<u>110,152</u>	<u>107,807</u>

5 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General	Total	Total
	£	2022	2021
		£	£
Independent examiner fees			
Examination of the financial statements	900	900	1,500
Legal fees	1,876	1,876	-
	<u>2,776</u>	<u>2,776</u>	<u>1,500</u>

6 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2022	2021
	£	£
Depreciation of fixed assets	<u>2,577</u>	<u>2,816</u>

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

Sultan Bahu Centre Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

8 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	65,513	67,135
Social security costs	1,889	204
Pension costs	764	418
	<u>68,166</u>	<u>67,757</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Employees	<u>11</u>	<u>11</u>

No employee received emoluments of more than £60,000 during the year.

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

10 Independent examiner's remuneration

	2022 £	2021 £
Examination of the financial statements	<u>900</u>	<u>1,500</u>

Sultan Bahu Centre Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

11 Tangible fixed assets

	Other tangible fixed asset £	Total £
Cost		
At 1 April 2021	51,915	51,915
At 31 March 2022	51,915	51,915
Depreciation		
At 1 April 2021	21,603	21,603
Charge for the year	2,577	2,577
At 31 March 2022	24,180	24,180
Net book value		
At 31 March 2022	27,735	27,735
At 31 March 2021	30,312	30,312

12 Debtors

	2022 £	2021 £
Other debtors	5,000	5,000

13 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	493	199
Cash at bank	8,503	1,398
	8,996	1,597

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	273	403
Accruals	900	1,500
	1,173	1,903

15 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £764 (2021 - £418).

Sultan Bahu Centre Ltd

Notes to the Financial Statements for the Year Ended 31 March 2022

16 Charity status

The charity is limited by share capital, incorporated in .

17 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
Unrestricted funds				
General	<u>35,006</u>	<u>115,703</u>	<u>(110,151)</u>	<u>40,558</u>

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
Unrestricted funds				
General	<u>44,834</u>	<u>97,979</u>	<u>(107,807)</u>	<u>35,006</u>

18 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 March 2021 £
Tangible fixed assets	27,735	27,735
Current assets	13,996	13,996
Current liabilities	<u>(1,173)</u>	<u>(1,173)</u>
Total net assets	<u>40,558</u>	<u>40,558</u>

	Unrestricted funds General £	Total funds at 31 March 2021 £
Tangible fixed assets	30,312	30,312
Current assets	6,597	6,597
Current liabilities	<u>(1,903)</u>	<u>(1,903)</u>
Total net assets	<u>35,006</u>	<u>35,006</u>

19 Related party transactions

Mr Sultan Fiaz Hassan and Mr Sultan Niaz Hassan, trustees of the charity are also trustees of Hazrat Sultan Bahu Trust. The accounts include:

Rent £12,000 (2021: £12,000)

Management charges £12,000 (2021: £12,000)