

Charity registration number

Company registration number 07173228 (England and Wales)

INVITATION TO ISLAM
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023

INVITATION TO ISLAM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr Asif Butt
Mr Jabar Choudhry
Mr Nazeem Ullah
Mr Saqib Razzaq
Mr Shaheen Rajput
Mr Saleem Rajput

Charity number

1137663

Company number

07173228

Registered office

37 Erskine Road
E17 6RZ

INVITATION TO ISLAM

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INVITATION TO ISLAM

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 28 FEBRUARY 2023

The trustees present their annual report and financial statements for the year ended 28 February 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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 2019).

Objectives and activities

- To advance the teaching of Islam throughout world in accordance of Quran and Sunnah.
- To relieve poverty.
- To advance education together with the building schools to the underprivileged.

Public Benefit

As a charity we are asked by the Charity Commission to consider whether our activities provide "a public benefit." The Management Committee (Trustees) has considered this matter, in accordance with the latest guidance. It believes our services do provide a public benefit and therefore justify our charitable status. We have complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission and in planning future activities.

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Significant activities

1) Educational Awareness

Invitation to Islam (ITI) adapt the traditional method of educating and teaching the principle of Islam according to The Noble Quran and the teaching of Prophet Muhammad, as revealed by the God Al-mighty

"There shall be no compulsion in the religion" Quran 2:256

Invitation to Islam's (ITI) operations team visited around 82 villages during the year in Sierra Leone, Liberia and Guinea to deliver educational awareness programmes. The programmes consisted of a range of learning sessions that explained the principles of Islam to Muslims and non-Muslims. Learning materials including pens and pencils were also provided. Through these programmes roughly 2,500 thousand people benefited and learned the Islamic faith and its tenants.

2) Mosques (Masajid)

ITI have an ongoing program of building community facilities, mosques and learning spaces/classrooms. In this accounting period ITI have completed 16 new places of worship in Guinea and Liberia. These places of worship provide important public services such as space for congregational worship, learning areas relevant to the Islamic faith, support and advice and more generally a place for communities to engage with one another. The community hubs also act as places for the distribution of food and provide learning services for young people. The numbers of beneficiaries in each facility varies from between 200 to 700 regular users, these are a mixture of young and old, male and female.

INVITATION TO ISLAM

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

3) Water Wells

The availability of fresh, clean drinking water is a daily challenge for the communities in the areas where ITI operate. Providing fresh water wells enable local communities to obtain clean drinking water that in turn reduces the risk of drinking polluted and unsafe water, access to these wells is not restricted to any one segment of the community. For this accounting period ITI have built 35 new fresh water wells in Guinea, Sierra Leone and Liberia benefitting communities on a daily basis, we estimate that over 80,000 people make regular use of these wells.

4) Motor bikes

Transportation remains a key challenge given the condition and or the absence of good quality roads. To enable our volunteers to access extremely remote areas ITI provide transport by way of motorbikes. The volunteers travel to these remote areas for a number of purposes. Initially they will travel to meet villagers to educate them about the faith, where more interest is shown or new members have embraced the faith the volunteers will then go repeatedly to continue the education. Access to the villages would be practically impossible without the transport provided.

5) Feeding Programs

ITI have been providing food for the poor and needy by feeding communities in different villages in Liberia, Guinea, Togo, Ghana, Sierra Leone and Benin, which are in West Africa, the food has been given to people of all faiths. Food is a basic necessity and is vital for survival, it also helps with nourishment, improving health and many thousands have benefited in all the different villages Invitation to Islam has reached. Alongside the feeding programs additional support has been provided to these areas in response to localised Covid 19 lockdowns, access to food and supplies is difficult at the best of times but even more challenging during the restrictions.

6) Eid Celebrations

ITI performed Qurbani/Udhiyah (the tradition of Prophet Abraham by slaughtering sacrificial animals) in West African countries in Guinea, Liberia, Togo, Ghana, Sierra Leone, and Benin by providing food (Fresh Meat) for the locals and families to celebrate Eid festival in their villages. Without ITI's interventions many communities in these rural areas would be unable to participate in the Eid celebrations enjoyed by millions the world over.

7) Zakat (Islamic Dues) Ramadhan and Eid Festivities

In Ramadhan many families and individuals do not have any food or little food to fulfil this obligatory act due to poverty and scarcity of food supply. Food is provided where possible in West Africa by supplying staples such as rice, lentils, flour, meat and bottled water. The countries where food is distributed is; Liberia, Togo, Ghana, Benin, Sierra Leone and Guinea. Gifts are handed to the families to celebrate Eid festivity and for general sustenance. Over 32,000 people benefitted from the distribution of food parcels.

8) Local Community Donations/Grant

Achievements and performance

Financial review

Total income for the year amounted to £368,235 (2022: £544,251) while total expenditure for the year amounted to £431,300 (2022: £431,300).

Overall net deficit was £13,694 (2022: Surplus £112,951).

Total funds of the charity carried forward was £154,434 (2022: £168,128)

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

INVITATION TO ISLAM

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

Structure, governance and management

The charity is a company limited by guarantee.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Jabar Choudhry
Mr Nazeem Ullah
Mr Saqib Razzaq
Mr Saleem Rajput

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

The trustees report was approved by the Board of Trustees.

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Nazeem Ullah
Trustee

Date:

INVITATION TO ISLAM

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INVITATION TO ISLAM

I report to the trustees on my examination of the financial statements of INVITATION TO ISLAM (the charity) for the year ended 28 February 2023.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 that in any material respect:

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

Waqas Iqbal BSc ACA
W Advisory
Dated:

INVITATION TO ISLAM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Charitable activities	3	48,814	319,495	368,309	185,610	358,641	544,251
Expenditure on:							
Raising funds	4	-	-	-	5,325	-	5,325
Charitable activities	5	37,360	344,569	381,929	88,585	337,390	425,975
Total expenditure		37,360	344,569	381,929	93,910	337,390	431,300
Net income/(expenditure) and movement in funds		11,454	(25,074)	(13,620)	91,700	21,251	112,951
Reconciliation of funds:							
Fund balances at 1 March 2022		143,054	25,074	168,128	51,354	3,823	55,177
Fund balances at 28 February 2023		154,508	-	154,508	143,054	25,074	168,128

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

INVITATION TO ISLAM

BALANCE SHEET

AS AT 28 FEBRUARY 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	9	74		-	
Cash at bank and in hand		154,434		168,128	
		<u>154,508</u>		<u>168,128</u>	
Net current assets			<u>154,508</u>		<u>168,128</u>
Income funds					
Restricted funds	11		-	25,074	
Unrestricted funds			154,508	143,054	
			<u>154,508</u>	<u>168,128</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2023.

The directors 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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on

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Mr Nazeem Ullah
Trustee

Company registration number 07173228

INVITATION TO ISLAM

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies

Charity information

INVITATION TO ISLAM is a private company limited by guarantee incorporated in England and Wales. The registered office is 37 Erskine Road, E17 6RZ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a 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 in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

INVITATION TO ISLAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies

(Continued)

1.5 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 are allocated on the portion of the asset's use.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

INVITATION TO ISLAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies (Continued)

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Education and Relief of Poverty						
Donations & Legacies	48,814	319,495	368,309	185,610	358,641	544,251

4 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising and publicity		
Seeking donations, grants and legacies	-	5,325

INVITATION TO ISLAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

5 Expenditure on charitable activities

	Heading #ac982 2023 £	Heading #ac985 2023 £	Total 2023 £	Heading #ac982 2022 £	Heading #ac985 2022 £	Total 2022 £
Direct costs						
Education and Relief of Poverty	366,718	-	366,718	423,640	-	423,640
Share of support and governance costs (see note)						
Support	-	15,211	15,211	-	2,335	2,335
	<u>366,718</u>	<u>15,211</u>	<u>381,929</u>	<u>423,640</u>	<u>2,335</u>	<u>425,975</u>
Analysis by fund						
Unrestricted funds	22,149	15,211	37,360	86,250	2,335	88,585
Restricted funds	344,569	-	344,569	337,390	-	337,390
	<u>366,718</u>	<u>15,211</u>	<u>381,929</u>	<u>423,640</u>	<u>2,335</u>	<u>425,975</u>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

7 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

8 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

9 Debtors

2023 £	2022 £
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INVITATION TO ISLAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

9 Debtors (Continued)

	2023 £	2022 £
Amounts falling due after more than one year:		
Prepayments and accrued income	74	-

10 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

11 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 March 2022 £	Incoming resources £	Resources expended £	At 28 February 2023 £
	25,074	319,495	(344,569)	-
Previous year:	At 1 March 2021 £	Incoming resources £	Resources expended £	At 28 February 2022 £
	3,823	358,641	(337,390)	25,074

12 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 March 2022 £	Incoming resources £	Resources expended £	At 28 February 2023 £
General funds	143,054	48,814	(37,360)	154,508
Previous year:	At 1 March 2021 £	Incoming resources £	Resources expended £	At 28 February 2022 £
General funds	51,354	185,610	(93,910)	143,054

INVITATION TO ISLAM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 28 FEBRUARY 2023

13 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 28 February 2023 are represented by:			
Current assets/(liabilities)	154,508	-	154,508
	<u>154,508</u>	<u>-</u>	<u>154,508</u>
	<u>154,508</u>	<u>-</u>	<u>154,508</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 28 February 2022 are represented by:			
Current assets/(liabilities)	143,054	25,074	168,128
	<u>143,054</u>	<u>25,074</u>	<u>168,128</u>
	<u>143,054</u>	<u>25,074</u>	<u>168,128</u>

14 Related party transactions

During the year, the charity trustees were reimbursed expenses for telephone, stationery and travel costs amounting to £946.62 (2021: £1,142).