



BAYT UL MAQDIS
FOUNDATION

Company Number: 07274585
Registered Charity Number 1139176

Bayt Ul Maqdis Foundation

Annual Report & Financial Statements

30th June 2021



Bayt ul Maqdis

Annual Report & Financial Statements

Contents

Page

Directors/Trustee's Report	3
Independent Accountants' report	9
Statement of Financial Activities	10
Balance sheet	11
Notes to the accounts	12



The Report of the Trustees for the year ended 30th June 2021

Introduction

The trustees present their annual report and accounts for the year ended 30th June 2021. The Board of Trustees are satisfied with the performance of Bayt ul Maqdis during the year and the position at 30th June 2021. The Board consider that Bayt ul Maqdis is in a strong position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations.

Objectives, Aims and Activities of the Charity

Aims of the Charity

We are an organization that provide a variety of services to the people in need in the Al Quds area and surrounding areas, Jerusalem.

Vision

Support Bayt ul Maqdis to become the symbol of human civilization.

Objectives

We work to :

- Promote preserve the architectural heritage, culture and features of Bayt ul Maqdis.
- Promote the international awareness of Bayt ul Maqdis.
- To support programmes and projects for the society and community of Bayt ul Maqdis.

We aim to work with transparency, excellence and cooperation.

Activities during the year

The key activities of the charity during the year was the

1. **Winter Campaign:** Supporting families suffering the economic hardships through the winter with blankets and heating system helping **300 families**.
2. **Food Parcels:** Supports the poor people and families in Jerusalem city that included food baskets containing basic food elements to ensure that these beneficiaries had the provision of food and daily basis helping **1150 families**.
3. Zakat al Fitr - distributed for **1250 families**.
4. Orphans -**75 Orphan sponsorship for one year**.
- 5- Eid Clothing – helping **75 children**
- 6- University student sponsorship – **4 Students**



Awareness

The charity provided transport and tour guides for beneficiaries in the local region to understand the landmarks and historical sites of Jerusalem and Bayt ul Maqdis.

Public benefit that is provided by the charity

In setting out our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's guidance on public benefit. The main focus of our activities is intended to provide the services for the community of Bayt ul Maqdis.

Building for the Future

Our future focus is to

1. Increase the international awareness of Bayt ul Maqdis
2. Supports projects for the overall development of the Bayt ul Maqdis society.

Name, registered office and constitution of the charity

The registered name of the charity is Bayt ul Maqdis.

The legal registration details are:

Date of formation: 4th June 2010

Charity Registration Number 1139176

The Registered Office is: 968 North Circular Road, Second Floor, London, NW2 7UZ

The Board of Trustees are:

Dr A Sabir

Mr G Elkahlout

The Bankers are:-

Al Rayan Bank, Birmingham

Structure, Governance and Management

The current working trustees are responsible for the general control and management of the charity. These trustees give their time freely and receive no remuneration or other financial benefits. The trustees meet regularly and are responsible for all decisions taken in relation to running the charity and activities provided by the charity.

Risk Management

The Trustees are satisfied that all systems are in place or arrangements are in hand to manage the risks that have been identified, having ensured segregation of duties. The Trustees and staff regularly reviews and assesses the risks to which Bayt ul Maqdis is exposed to. Risks are recorded and monitored on an organizational risk register which includes an assessment of likelihood and severity of impact, with controls and actions in place to mitigate against these risks.

The most significant risks identified, and actions taken to mitigate are:



Financial sustainability

The viability of Bayt ul Maqdis is dependent on fundraising to fulfil our charitable activities and cover our core costs. COVID-19 has had an impact, as described in the 'COVID-19 Impact' section. The trustees are monitoring the regular financial performance and take appropriate action to generate income and reduce costs. The trustees receive regular reports of the conditions on the ground in areas Bayt ul Maqdis operates and keeps our donor base updated.

Bank De-Risking

The banking system is a key component of charities be able to deliver on its humanitarian commitments. If Bayt ul Maqdis is not able to receive or transfer money securely, legally and reliably through trusted financial institutions, it simply cannot fulfil its purpose. We have continued to face obstacles and delays when moving funds to provide timely assistance to those in need have a direct impact on people's lives. As a small charity we understand the needs of the financial institutions to conduct due diligence on the sector however this must be balanced with an understanding that charities of all sizes have a role to play in the international humanitarian sector.

As a registered charity, the charity endeavours to preserve the architectural heritage, culture and features of Bayt ul Maqdis.

Covid 19 Pandemic

During the financial year ending 30th June 2021, Bayt ul Maqdis, our fundraising was affected by various measures that were put in place to combat the spread of the virus. Income from various streams that would otherwise have been available such as mosque and community collections has been affected.

During this period the charity employees were furloughed at various stages as we were simply unable to go about our normal working routines. We have also been complying with UK government advice and where possible worked from home.

The impact has also been felt by our projects we had to postpone some of our non-emergency projects, however we continued as soon as it was safe to do so.

Free Reserves

The Charity as at 30th June 2021 had free reserves of £400,253 (2020: £287,837). This has been decision to utilise our reserves to deliver more than ever, utilising our volunteer base we believe we have sufficient funds to meet core operating costs, our beneficiaries needs including those based here in the UK that are suffering due to this global pandemic. We have already started to distribute food items to the poor and vulnerable within our surrounding areas, and in compliance with the Government advice on social distancing.

The charity's focus is on cash flow for financial sustainability. The charity's activities are managed in accordance with cash-flow available.



Going Concern

The Board has assessed Bayt ul Maqdis to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations. The trustees have considered several factors when forming their conclusion including sufficient free reserves and its low cost operating base to be agile and adapt to any unforeseen impact on its income generation plans. The trustees have considered the going concern assumption and are not aware of any significant doubts about the charity's ability to continue as a going concern.

Nature of the Governing Document and constitution of the charity

The Charity is an incorporated company limited by guarantee. association governed by a trust deed. There are no restrictions in the governing document on the operation of the charity or on its investment powers, other than those imposed by charity law.

Recruitment and appointment of new trustees

The process involves determining the optimum skills, knowledge and experience mix for the: current operational climate and needs, identifying potential members, promoting and explaining the activities of the Board to potential members. Quality, characteristics and qualifications are decided upon when selecting members of the Board of Trustees.

Relationships between the charity and related parties

The induction of new Trustees would include an explanation of the function of the Board of Trustees and appointing a mentor for the new member to the Board of Trustees. An overview of the organisation and its activities is provided. On-going appropriate training is recommended.

The contribution of volunteers

Bayt ul Maqdis has been dependant on volunteer support in order to establish Bayt ul Maqdis and set the foundations for its future success. We have volunteers who are involved in our activities who willingly give their time freely. The Trustees are professionals in their respective fields and they, together with the office bearers, continue to manage the charity on a completely voluntary basis Charity Commission published guidance.

Financial Review

Policies on reserves

The trustees have resolved to establish reserves to provide for future activities, and to provide funding for the expected expenditure for six months ahead. The policy on reserves is that the existing assets are retained to produce income which is wholly utilised to support existing activities. There is no intention in the long term to either increase or reduce the capital significantly. This policy is justified in that it is necessary to preserve income at the present levels in order to maintain the activities of the charity.

The principal funding sources was voluntarily donations as a result of word of mouth publicity, and online campaigns. The board of trustees are satisfied that the charity's assets are available and adequate to fulfil its obligations in respect of each fund.

Availability and adequacy of assets of each of the funds



The board of trustees are satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund.

Transactions and Financial position

The financial statements are set out on pages 9 to 16

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 Statement of Recommended Practice and Section 1A of FRS102 the trustees consider the financial performance by the charity during the year to have been satisfactory.

The Statement of Financial Activities show incoming resources for the year of a net inflow of £112,416; 2020: net outflow (£2,112). A majority of the expenditure is spent on delivering the charitable activities as stated in the Charity's aims and objectives.

Trustees' Responsibilities

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the Statement of Recommended Practice and Section 1A of FRS102.

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Trustees are required to:-

To prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.



The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the charity legislation. 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. The Trustees are also responsible for the contents of the Trustees' report, and the accountant preparing the accounts has no responsibilities in relation to the Trustees' report.

Audit Exemption

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to the accounting records and for the preparation of accounts.

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

This report was approved by the board of trustees on 30th March 2022

Ghassan Elkahlout

Mr G Elkahlout
Trustee



**Report of the Independent Examiner to the trustees
On the accounts of Bayt ul Maqdiis for the year ended 30 June 2021**

We report on the financial statements of the charity on pages 9 to 16

Respective responsibilities of directors and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income did not exceed £1,000,000 and I am qualified to undertake the examination by being a qualified member of the Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, 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 Charities Commission under section 145(5)(b) of the 2011 Act
- to state whether particular matters have come to my attention

Basis of 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 in the next statement.

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 of the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006 and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities.

The Examiner's relevant professional qualification is: Chartered Certified Accountant

Virtus FS

Chartered Certified Accountants

Birmingham

The date upon which this report was completed is:- 30th March 2022

Bayt ul Maqdis
Statement of Financial Activities for the year ended 30th June 2021

		Unrestricted Funds	Restricted Funds	Total Funds	Last Year Total Funds
	Notes	2021 £	2021 £	2021 £	2020 £
Income & Endowments					
Donations & legacies	4	211,122	96,335	307,457	179,045
Total Income		211,122	96,335	307,457	179,045
Expenditure on					
Raising Funds		69,347	-	69,347	99,738
Charitable activities	5	11,913	113,781	125,094	81,419
Total expenditure		81,260	113,781	195,041	181,157
Net Income/(Expenditure)		129,862	(17,446)	112,416	(2,112)
Transfers between funds		(17,446)	17,446	-	-
Net Income after transfers		112,416	-	112,416	(2,112)
Reconciliation of funds					
Total funds brought forward		287,837	-	287,837	289,949
Total Funds carried forward	9	400,253	-	400,253	287,837

The statement of financial activities includes all gains and losses recognised in the year.

All activities derive from continuing operations

The notes on pages 12 to 16 form an integral part of these accounts.

Company Number: 07274585

Company and Charity Balance Sheet
Bayt ul Maqdis Balance Sheet as at 30 June 2021

	Notes	2021 £	2020 £
<i>The assets and liabilities of the charity :</i>			
Fixed assets			
Tangible assets		-	-
Total fixed assets		-	-
Current assets			
Cash at bank and in hand		401,756	290,141
Total current assets		401,756	290,141
Creditors:-			
amounts due within one year	8	(1,504)	(2,304)
Net current assets		400,253	287,837
Total assets less current liabilities		400,253	287,837
Net assets including pension asset / liability		400,253	287,837
<i>The funds of the charity :</i>			
Unrestricted income funds			
Unrestricted revenue accumulated funds		400,253	287,837
Restricted income funds		-	-
Total charity funds	9	400,253	287,837

Ghassan Elkahlout

Mr G Elkahlout
Trustee

Approved by the board of trustees on 30th March 2022

For the year ending 30th June 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. 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 notes on pages 12 to 16 form an integral part of these accounts.

Notes to the accounts

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation of the accounts

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 Section IA of FRS102 and Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The charity has taken advantage of the exemption from the requirement to produce a cash flow statement.

OLGW meets the definition of a public entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction unless otherwise stated in the relevant accounting policy note.

b) Preparation of the accounts on a going concern basis

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern.

There were no key judgements made by the trustees which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next accounting period.

c) Income

Income is recognised where the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

d) Expenditure and irrevocable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities, includes the costs undertaken to further the purposes of the charity and their associated costs.
- Raising funds, where the charity incurs costs of fundraising costs.
- Support costs of activities for charitable purposes comprising any costs including salary costs of any staff that are involved with supporting the charitable activities.
- Governance costs shall include all expenditure directly incurred in the management of the charity's assets and compliance with charitable and statutory requirements.

The methods and principles for the allocation and apportionment of all costs between the different activity categories of resources set out above are:-

Notes to the accounts (continued)

There are a number of costs, where it is impracticable to allocate these costs precisely between administration and charitable expenditure and the trustees have allocated such costs on the basis of reasonable estimates as follows: On the basis of salary costs and estimated time spent on different activities.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

e) Tangible fixed assets

Individuals fixed assets costing £1,000 or more are capitalised at costs and depreciated over their estimated useful economic life on a straight-line basis. The charity has not acquired any assets over the capitalisation cost of £1,000 in the current year or prior year.

Computer and Office equipment	25%
-------------------------------	-----

f) Debtors

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

g) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments in short term deposit accounts.

h) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and Provisions are normally recognised at their settlement amount after allowing for any trade Discounts due.

i) Taxation

The charity meets the criteria and tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK taxation purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within the categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992. No corporation tax liability arises in the accounts.

j) Funds Accounting

Funds held by the charity are:

- Restricted funds – these are funds which are subject to specific conditions imposed by the donors or when funds are raised for a particular restricted purpose. The Charity at present holds no restricted funds.
- Unrestricted funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustee

Notes to the accounts (continued)

2. Surplus/(Deficit) for the financial year

	2021 £	2020 £
Revenue from ordinary activities	112,416	(2,112)

3. Expenses paid to trustees

	2021 £	2020 £
The aggregate amount of expenses paid to trustees was	Nil	Nil

4. Resources by Activity

	Bayt ul Maqdis £	2021 Total £	2020 Total £
Income			
Donations from individuals	307,457	307,457	179,045
Total Income	<u>307,457</u>	<u>307,457</u>	<u>179,045</u>
<i>Raising funds</i>	69,347	69,347	99,738
<i>Charitable activities</i>	92,889	92,889	68,855
<i>Project support costs and compliance</i>	32,805	32,805	12,564
Total expenditure	<u>195,041</u>	<u>195,041</u>	<u>181,157</u>
Net Incoming Resources	<u>112,416</u>	<u>112,416</u>	<u>(2,112)</u>

Notes to the accounts (continued)

5. Analysis of charitable expenditure by activity

	Bayt ul Maqdis £	2021 Total £	2020 Total £
Nature of charitable expenditure			
Activities undertaken directly	92,889	92,889	68,855
Project support costs of charitable activities	32,805	32,805	12,564
Total charitable expenditure analysed by activity	125,694	125,694	81,419

An explanation of the main features of charitable expenditure is given in note 1 to the accounts

6. Staff Costs and Emoluments

	2021 £	2020 £
Gross Salaries	48,892	49,461
Employer's National Insurance	-	-
	<u>48,892</u>	<u>49,461</u>
Numbers of full time equivalents employees	2021	2020
Raising Funds and Awareness Raising	2	2
Support and Administration	2	2

There were no fees or other remuneration to the trustees.

There were no employees with emoluments in excess of £60,000 per annum.

7. Tangible functional fixed assets

The company had no tangible fixed assets for the year ended 30 June 2021 (prior year £Nil).

8. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,504	2,304

Notes to the accounts (continued)

9. Analysis of assets and liabilities representing funds

At 30 June 2021	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Tangible Fixed Assets	-	-	-
Current Assets	401,756	-	401,756
Current Liabilities	(1,504)	-	(1,504)
	<u>400,253</u>	<u>-</u>	<u>400,253</u>

At 30 June 2020	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Tangible Fixed Assets	-	-	-
Current Assets	290,141	-	290,141
Current Liabilities	(2,304)	-	(2,304)
	<u>287,837</u>	<u>-</u>	<u>287,837</u>

The individual funds included above are :-

	Funds at 2020	Movements in Funds as below	Transfers Between funds	Funds at 2021
	£	£	£	£
Baqt ul Maqdis	<u>287,837</u>	<u>112,416</u>	<u>-</u>	<u>400,253</u>
	<u>287,837</u>	<u>112,416</u>	<u>-</u>	<u>400,253</u>

Analysis of movements in funds as shown in the table above

	Incoming Resources	Outgoing Resources	Gains & Losses	Movement in funds
	£	£	£	£
Baqt ul Maqdis	<u>307,457</u>	<u>195,041</u>	<u>-</u>	<u>112,416</u>
	<u>307,457</u>	<u>195,041</u>	<u>-</u>	<u>112,416</u>

10. Endowment Funds

The charity had no endowment funds in the year ended 2021 or in the year ended 2020.