

THE PEN FOUNDATION

Annual Report and Financial Statements

Year ended: 30 September 2022

DUA GOVERNANCE

Chartered Accountants and Business Advisors
Bradford Court
123-131 Bradford Street
Digbeth, Birmingham
B12 0NS

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Legal and Administrative Information

Charity number	1140145
Company number	07368392
Registered address	MR ELSADIG TAHA 30 Campbell Court Campbell Road London N17 0AU
Trustees & Directors	Mr Elsadig Taha Mr Wadah Qassim Mustafa Abdelmula
Bankers address	Lloyds Bank 65-68 Briggate Leeds LS1 6LH

Report of the Trustees for the year ended 30 September 2022

THE PEN FOUNDATION

The Trustees present their annual report and accounts for the year ended 30 September 2022.

The charity is constituted as a company limited by guarantee, not having a share capital and is therefore governed by Memorandum and Articles of Association.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

The accounts have been prepared in accordance with the receipts and payments basis in accordance with the Charity Commission guidance.

Structure, governance and management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 7 September 2010 and registered as a charity on 1 February 2011. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Management Committee

The charity directors otherwise known as trustees are responsible for the general control and management of the charity. The Trust has 2 Trustees appointed for life. The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits.

The trustees meet every month to find reliable ways to generate income, find grants and to manage the affairs of the charity.

The trustees are responsible of setting strategies and policies for ensuring these are implemented.

Recruitment and appointment of New Trustees

The existing trustees are responsible for the recruitment of new trustees. In selecting new trustees, we seek to identify people who regularly attend events and functions organised by the charity and are willing to volunteer to help in our broader community work.

Trustee Induction and Training

Following appointment, new trustees are introduced to their new role and given copies of the Memorandum of Association and a guide to the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided including the guidance on charities and public benefit and on the advancement of religion for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act.

A number of volunteers attend regularly on a rota basis and assist with the collection of books and fund raising activities.

Risk management

The trustees have assessed the risks the charity faces and have drawn up a risk matrix which identifies the major risks by area of activity, the nature of those risks, the likelihood of the risks occurring and the measures taken to manage them. The trustees review this risk matrix regularly at their meetings. The trustees are satisfied that systems are in place, and arrangements are in hand, to manage the risks that have been identified.

Objectives and Activities

To establish a Library and a Heritage Centre dedicated to the life and teachings of Prophet Muhammad, and to educate the public about the Islamic faith and promote mutual respect through interfaith work.

To promote religious harmony for the benefit of the public by (A) educating the public in the common ground between different religious beliefs to promote good relations between persons of different faiths, (B) Promoting interfaith dialogue through knowledge and mutual understanding and respect of the beliefs and practices of different faiths.

Our objectives are set to reflect our faith and community aims. Each year our trustees review our objectives and activities to ensure they continue to reflect our aims. In carrying out this review the trustees have considered the Charity Commission's general guidance on public benefit and in particular its supplementary public guidance on the advancement of religion for the public benefit.

Achievements and Performance

Work has continued during the year to increase the collection of books and to catalogue them.

Regular Fundraising events have been held during the year, to increase the funds of the charity, to further its objectives.

Public Benefit Statement

The section of this report below entitled 'Objectives and activities' sets out the objects and aims of the charity. The trustees have considered this, in conjunction with the guidance contained in the Charity Commission's general guidance on public benefit, and have concluded that:

- the aims of the charity continue to be charitable;
- the work done by the charity gives identifiable benefits to the charitable sector and both directly and
- indirectly to individuals in need;
- the benefits are for the public; not unreasonably restricted in any way;
- there is no detriment or harm arising from the aims or activities.

Financial Review

During the period, the charity received total income of £30.9k (2021: £43k). After incurring cash payments of £16.5k (2021: £7.2k), the carried forward cash fund balance stood at £151.5k (2021: £137k).

Reserves Policy

The trustees believe that the charity has sufficient cash in the bank and adequate fund-raising plans in place to ensure the charity is able to meet its costs.

Future Plans

The charity has the long-term objective of purchasing a property to house the Library and Heritage Centre. The charity will continue to fund raise to further its objectives.

To have events in order to create religious harmony between different faith groups.

Trustees' responsibilities statement

The trustees (who are also the directors of Pen Foundation Limited for the purposes of company law) are responsible for preparing 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.

This report was approved by the trustees on 28 July 2023 and signed on their behalf by:



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Mr El-Sadig Taha

Trustee

**Independent Examiner's Report to the Trustees of
THE PEN FOUNDATION (Reg. 1140145)**

Independent Examiner's Report to the Trustees of Pen Foundation Ltd

I report to the charity trustees on my examination of the accounts of the company for the year ended (date) which are set out on pages 8 to 10.

Responsibilities and basis of report

As the charity trustees of the company (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 the company 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 company'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 that in any material respect:

1. accounting records were not kept in respect of the company 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 BA FCA
DUA GOVERNANCE

Date: 28 July 2023

Bradford Court
123-131 Bradford Street
Digbeth, Birmingham
B12 0NS

THE PEN FOUNDATION (Reg: 1140145)
Receipts and Payments Accounts
From 1 October 2021 to 30 September 2022

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Receipts				
Donation	30,867	0	30,867	43,072
Sub total	30,867	0	30,867	43,502
Assets and Investment sales	0	0	0	0
Total receipts	30,867	0	30,867	43,502
Payments				
Book Storage	7,493	0	7,493	3,530
Rent	8,964	0	8,964	3,000
Accounts	0	0	0	534
Sundry Expenses	0	0	0	149
Subtotal	16,457	0	16,457	7,213
Assets and Investment purchases				
Assets	0	0	0	0
Total payments	16,457	0	16,457	7,213
Net of receipts/(payments)	14,410	0	14,410	36,289
Transfers between funds	0	0	0	0
Cash funds last year end	137,041	0	137,041	100,752
Cash funds this year end	151,451	0	151,451	137,041

THE PEN FOUNDATION (Reg:1140145)

Statement of Assets and Liabilities

As at 30 September 2022

	Unrestricted Funds £	Total 2022 £	Total 2021 £
Cash Funds			
Cash at Bank	151,451	151,451	137,041
Total Cash funds	151,451	151,451	137,041
 Assets Retained for the Charity's Own Use			
Freehold Land & Building	0	0	0
Total	0	0	0
 Liabilities	0	0	0

Approved by the Board on 28 July 2023 and signed on its behalf by:



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Mr El-Sadig Taha

Trustee

THE PEN FOUNDATION (Reg. 1140145)

Notes forming part of the financial statements for the year ended 30 September 2022

1. Accounting policies

(a) Basis of preparation

The accounts have been prepared in accordance with the receipts and payments basis in accordance with the Charity Commission guidance.

(b) Charity status

The Pen Foundation was established under a trust deed and is a registered with the Charity Commission under the reference of 1140145. The Trustees are appointed and function in accordance with the deed.

(c) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(d) Receipts

All incoming resources are included in the Receipt & payment Accounts when the charity actually receives legally entitled income.

(e) Payments

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