

Company registration number: 08098742

Charity registration number: 1148223

Manarat Foundation

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2024

Manarat Foundation

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Manarat Foundation

Trustees' and Directors' 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 2024.

Objectives and activities

Objects and aims

1) To advance education and training, particularly but not exclusively amongst children and young people of school age by the provision of out of school and homework clubs.

2) To advance the Islamic faith including the advancement of religious education and raising awareness of the faith;

3) To prevent or relieve poverty by providing or assisting in the provision of education, training, healthcare projects and all the necessary support designed to enable individuals to generate a sustainable income and be self-sufficient

To achieve all of the above Manarat Foundation's team is working tirelessly on creating a space where all their objectives can be achieved. Currently more than half of the building project has been completed.

Objectives, strategies and activities

Manarat Foundation has the following activities:

1) Daily Prayer Facilities.

2) Friday Prayer Facilities.

3) Eid Prayer facilities, including for women and children.

4) During the Holy Month of Ramadhan Iftaar and Taraweeh Prayers are organised.

5) Regular Islamic Educational Circles, for men, women and children.

Public benefit

The Strategic Report has outlined in length, the many areas in which the Charity is providing a Public Benefit to the community.

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.

Achievements and performance

The year to 31 March 2024 has been another successful year of delivering services and activities for the local Muslim community as well as engaging with the wider community. Our team of imams, trustees and volunteers have worked tirelessly throughout the year to serve our community.

Manarat, in a short space of time, has achieved the following:

EDUCATION

Significant increase in number of weekday and weekend Madrasah students Introduction of adult short courses of Fiqh and Tajweed

Weekly Dars of Hadith & Tafseer

CORE RELIGIOUS SERVICES

Five daily salahs Jummah salah Weekly reminder Youth halaqa

COMMUNITY OUTREACH

Training on hajj & umrah

Islamophobia awareness workshop and Interfaith dialogue Distribution of gifts and dawah packs to non-Muslim neighbours

Dua programme for local community

Fundraising for the wider Muslim community Family funday

Annual dinner and Awards Ceremony

SERVICES FOR THE MONTH OF RAMADAN.

1-RAMADAN BULLETIN

Once again, this year we published the Ramadan Bulletin. This contained information about Ramadan and other articles relevant to this blessed month. The Bulletin gives our local community the necessary information to help them make their month of fasting more beneficial & spiritual.

2-TARAWEEH PRAYERS

Every year, in the month of Ramadan daily Taraweeh prayers are held at the time of the Isha salah. These are led by a team of Huffaz. The recitation of the Qur'an is generally completed on the 29th night of Ramadan. Although attendance levels vary over the month, every night over 300 people attended the Taraweeh prayers.

3-IFTAR AND SUHUR SERVICE

According to the Hadith of our beloved prophet (PBUH) feeding the fasting person is considered a very noble act. The Messenger of Allah (PBUH) said,

"Whoever feeds a fasting person will have a reward like that of the fasting person, without any reduction in his reward."

(Ahmad and Al-Nasai)

Iftar was provided daily for approximately 120-150 individuals. On occasions more than 200 people took part. Iftar was provided for both brothers and sisters. This year suhur was provided on the 27th night of Ramadan for both brothers and sisters. More than 100 worshippers participated in the suhur.

4-I'TIKAF

Manarat Foundation provides I'tikaf facilities for local Muslims during the last 10 days of Ramadan. This allows people to stay in the masjid overnight and to dedicate themselves to personal prayer and recitation of the Qur'an. This year 10 brothers performed I'tikaf.

OTHER REGULAR SERVICES

Outside the month of Ramadan, Manarat is the beating heart of the local Muslim community and a venue from which a range of regular services are provided.

FIQH OF RAMADAN PROGRAMME

Prior to the month of Ramadan, Manarat organises an opportunity to learn about the Fiqh of Ramadan. This year those attending the session benefited much from it and improved their knowledge. The event took place on the 2nd of March 2024. The guest speaker, Shaikh Habib ul Ghafar Azhari, spoke about the essential matters of Fiqh concerning Ramadan. Additionally, Sh. Kazi Belal talked about the practical ways in which a person can maximize the rewards of this blessed month. Those attending the event left with valuable insights on Fiqhi matters and how to make practical changes to their lives to make the most of their time during Ramadan.

FIQH OF QURBANI PROGRAMME

Manarat Foundation

Trustees' and Directors' Report

Understanding the significance of Qurbani is essential for every Muslim. Manarat Foundation hosted a seminar on the Fiqh of Qurbani on Friday May 24, 2024. The event aimed to educate and remind the community about the history and virtues of Qurbani.

MANARAT RADIO SCANNER SERVICE

The Azan (call to prayer) is an audible alert for the community, reminding them of the time of prayer. This is especially important because the call is not openly broadcast in the UK. A live radio transmission (through a radio scanner) of the Azan and congregational prayers is delivered at the time of each of the five daily prayers. The whole Jummah Khutabah is also broadcasted via the scanner. The radio transmissions also allow for other programmes and events to be broadcast to the community. This is a much valued and important channel to keep our community informed of announcements and events.

SISTERS' CIRCLE

The circle is run by the sisters in the Bengali language mainly. Activities are held monthly, and this year included:

1. Eid reunion parties.
2. Hajj training
3. Regular tarbiyyah programmes such as darsul Qur'an, darsul Hadith and much more
4. Discussions on seerah, biography of the sahabah, ummahatul m'umineen and, other core topics of Islam were also covered by the circle.

The sisters also actively participate in regular fundraising and charity events at Manarat Foundation.

ISLAMIC MARRIAGE SOLEMNIZATION

Marriage is a key tenet of the teachings of Islam. It is within this, that future generations of Muslims are to be born and raised in. Each year we provide imams to solemnize the Islamic marriage (Nikah).

In addition to Islamic marriage, we also perform civil marriages.

This year, we conducted approximately 20 Nikahs, including facilitating 'walimahs' being attended by a small number of participants.

COUNSELLING

Manarat offers counselling services to the local Muslim community. Advice is available on matters including marriage, divorce, mental health and resolving family disputes. Many individuals and families made use of this service over the year.

YOUTH CIRCLE

A regular service for our youth (boys & girls) was run this year. Every Friday evening various activities take place such as sports activities and short talks on Islam and raising awareness of current issues.

Those coming to the youth circle were able to take part in table tennis, snooker/pool as well as boxing skills. We aim to expand the activities being provided in the forthcoming year.

The Youth circle gives our younger members of the community a dedicated time to use the building, and this aims to inculcate in them an attachment to the masjid from an early stage in their life. It is also a practical way of implementing one of our organisational objectives.

SUPPORT FOR NEW MUSLIMS

Manarat Foundation

Trustees' and Directors' Report

The growth of Islam continues apace, and with each passing day more individuals are embracing Islam. We provide a range of support services for our new Muslim brothers and sisters. Manarat helps them to learn more about Islam and in their journey to becoming righteous persons. We make sure they have the emotional and social support, especially at key times of the year, e.g. Eid, Ramadan.

HIRING FACILITY

Manarat provides facilities, at a cost, for holding small functions such as aqeeqah, walimah and community gatherings. Currently, we can only facilitate small functions.

As the only Islamic and community centre within the area, this is greatly received by the local Muslim community.

Educational Services

ALIMIYYAH - SABAQ INAUGURATION

The inauguration of the Sabaq program for the Manarat Alimiyyah class was held on Thursday, 8th February 2024. An initial cohort of 10 students enrolled in the Alimiyyah program, and approximately 50 participants attended the Sabaq session. The event commenced with an inspiring address by the chief guest, Mufti Tosir Miah, who offered valuable insights on the Hadith of Niyyah (intention).

Additionally, Prof. Khandaker Kabir Uddin and Sh. Shahid Ullah Azhari shared their wisdom and guidance on the importance of seeking knowledge, enriching the session with their advice and experiences.

After the session, light refreshments were served, offering a chance for attendees to socialize, network, and reflect on the speeches.

MADRASAH CLASSES

Manarat Academy has over 200 students between the ages of 4-16. Currently it provides daily evening and weekend Madrasah (education) classes.

Manarat's evening and weekend Madrasah classes provide high quality Islamic education. Having a thorough understanding and religious grounding enables our children to be active and responsible British citizens whilst maintaining their Islamic faith. Evening classes run Monday-Thursday between 5pm to 7pm. Weekend classes are between 10am to 1pm.

Senior leaders have ensured that safeguarding, health & safety and first aid qualified teachers are part of the teaching staff.

In order to achieve its educational goals, Manarat has developed a well-structured syllabus and curriculum, which is taught by a highly educated child friendly team. All teaching staff are DBS checked. Qualified female teachers deliver the lessons for the girl's classes.

Children are taught, Qur'an recitation with tajweed, Hifzul Qur'an (selected Surahs and verses), Selected Hadith (memorisation with meaning), Seerah of the Prophet (PBUH), Basic Aqaid, Masnoon du'aas (with meaning) and, Daily Fiqh (Islamic Jurisprudence). Assemblies are held monthly, and students have also taken part in inter-Madrasah Islamic competitions.

HIFZUL QURAN

Our Hifz ul Qur'an classes are available both during the weekdays and weekends, featuring the following schedule:

1. Monday to Thursday: 5pm to 7pm
2. Saturday and Sunday: 10am to 1pm

ARABIC LANGUAGE COURSE FOR CHILDREN AND ADULT

Manarat provides an Arabic Language course for children, aiming to familiarise them with the language of Islam and foster a better understanding of the Qur'an and Deen. This year, our Arabic course for children ran on Saturdays from 12pm to 1pm and attracted over 10 students.

SELF DEFENCE CLASSES FOR YOUNG PEOPLE

We are currently running our Karate class with a good number of students every Friday from 7pm to 8pm. An expert instructor conducts the sessions.

OTHER SERVICES DELIVERED FOR CHILDREN

- A number of activities were organised to coincide with key dates in the Islamic year. This year this has included:
- Online Islamic quiz
- Qiraat competition
- Speech competition
- Progress on Renovation works and plans for future periods

Wudu area Renovation work

The renovation of the wudu area was required because of the considerable wear and tear, which led to damage to the flooring. Work to renovate and repair was undertaken by a dedicated renovation team and included the installation of new flooring, washbasins and new water efficient wudu taps. The total cost of the renovation amounted to £14,400, and the project was successfully completed within a four-week timeframe

Manarat Foundation Yew Tree Project

The expansion of the services provided by Manarat have taken a step forward this year with the purchase of another property. The Board of Trustees has agreed to establish another branch should suitable property become available in the Yew Tree area. With the blessing of Allah, the Foundation managed to find and purchase a property. At present, a planning application has been lodged with the council and we are awaiting its outcome.

Financial review

During the year, the charity raised £453k (2023: £330k) and spent £233k (2023: £165k), generating a net income of £220k (2023: £165k).

At year-end the charity had a qard e hasan of £289k (2023: £450k).

Policy on reserves

At year end, the charity's reserves stood at £1.1m (2023: £880k), of which £181k is restricted (2023: £175k) and £919k is unrestricted (2023: £705k).

The charity holds sufficient reserves in order to meet its immediate needs.

Going concern

The Trustees feel confident that the charity remains a going concern for the following reasons

- It will be able to generate income to contribute to its core running costs
- It has sufficient reserves to cover its core costs

Manarat Foundation

Trustees' and Directors' Report

Structure, governance and management

Nature of governing document

Manarat Foundation is governed by Memorandum and Articles incorporated 8th June 2012 as amended by special resolution(s) dated 13th July 2012 as amended by special resolution registered at Companies' House on 18th July 2012.

Recruitment and appointment of trustees

The Charity has four founding members and 2 other Trustees. They decide when the need of a new Trustee arises.

Induction and training of trustees

New Trustees are invited when there is a need within the charity, and a suitable candidate with the required skill sets will be invited based on the requirements of the charity.

Background checks and training is also part of the induction process.

Major risks and management of those risks

The trustees have assessed the risks the charity faces, and are satisfied with the systems and arrangements in place to manage the risks.

Organisational structure

The organisational structure of Manarat is that the council of management decides the running of the project. The election of the council of management takes place as per the constitution of the Manarat. The following positions are determined through election for two years.

1. Chairman
2. Vice chairman
3. Secretary
4. Joint Secretary
5. Treasurer
6. Assistant Treasurer

The current council of management members are:

1. Shaykh Mohammad Shahid Ullah (President)
2. Ustadh Muhammad Saiful Islam (Vice President)
3. Professor K. Kabir Uddin (Secretary)
4. Syed Kashif Ali (Joint Secretary/ Assistant Treasurer)
5. Maulana Shaykh Belal Hossen (Treasurer)

MF Advisory board:

1. Dr. M Millat-e-Mustafa, Islamic Relief
2. Dr. Abul Kalam Azad, Editor, Monthly Zaitun, London
3. Mr. Faizur Rahman Choudhury MBE
4. Mr. Abdul Hamid, Msc, MA, Community Leader, Solihull
5. Mr. Imran Salim, Chartered Accountant, Solihull
6. Shaykh Abdur Rahman Madani, Director, TV ONE London
7. Solicitor Tahir Abdullah, Wright Justice Solicitors
8. Alhaji Abdul Malek Parvez, Community Personal
9. Mr. Akram Bonham (Architect)
10. Dr Anwar Khoker
11. Dr MA Khaled

Manarat Foundation

Trustees' and Directors' Report

MF Mosque Finance Committee

1. Shaykh Mohammad Shahid Ullah
2. Mr. Shahidul Islam Mukul
3. Mr. Qamar Abbas
4. Mohammad Umair Yaser
5. Abdul Qawi-Dayal

MF Purchase Committee

1. Professor K. Kabir Uddin
2. Mr. Ronju Miah
3. Mr. Abid Ahmed
4. Mr. Mohammed Abedin (Koyes)
5. Mr. Haroon Rashid
6. Mohammed Ali Raza

MF Education Committee

1. Professor K. Kabir Uddin
2. Sheikh Abdullah Al-Mamun
3. Mr. Alamgir Khondaker
4. Mr. Jamil Ahmed
5. Ustadh Muhammad Umair Yasir

MF Madrasah SMT

1. Professor K. Kabir Uddin
2. Ustadh Muhammad Umair Yasir
3. Ustadh Yusuf Zaman
4. Ustadah Naila Parveen
5. Ustadah Bushra Bibi

MF Complex Project Development Committee

1. Prof. Kabir Uddin
2. Mr. Akram Bonham
3. Mr. Harun Al- Rashid
4. Mr. Hanif

MF Event Facility and Parking Management Committee

1. Muhammad Saiful Islam
2. Mr. Muhammad Arabi
3. Mr. Iqbal Hussain
4. Mr. Abdul Aziz
5. Mr Saiful Anbia
6. Mr Sayed Hassan
7. Mr. Hussain Asghar
8. Mr Salman
9. Mr Nazrul Haq
10. Chowdhury Sohial
11. Ibrahim Jallo
12. Mr Azad Miah
13. Abid Ahmed
14. Iqbal Habib
15. Suleman Sheikh
16. Mohammed Ilyas
17. Nadeem Din

MF Sisters Committee

1. Mrs Yeasmin Arafat
2. Mrs Nasrin Akhtar
3. Mrs Umma Salma
4. Mrs Shaheda Parveen
5. Mrs Rukhsana Khan
6. Ustadah Naila Parvin

7. Mrs Rawshanara Begum
8. Sister Sazia
9. Mrs Qamar Abbas
10. Mrs Ruby Shah
11. Mrs Jahida Salam
12. Mrs Rugina Abedin

MF STAFF

Muhammad Umair Yasir	Head of centre, Imam & Teacher
Arif Rabbani -	Head of education, Imam & Teacher
Ubaid Ullah Shameem	Imam & Teacher
Abdul Qawi	Muaddhin
Bushra Bibi	Teacher
Naila Parveen	Teacher
Tabasam Bibi	Teacher
Iman Hamadi	Teacher
Tamanna Akter	Teacher

Reference and Administrative Details

Trustees

Mr Kazi Mohammad Belal Hossen, Director
Mr Khandaker ABM Kabiruddin, Director
Mr Mohammad Shahidullah, Director
Mr Muhammad Saiful Islam, Director
Mr Syed Kashif Ali, Director
Mr Mohammed Nurul Abedin, Director (Resigned 17 Feb 2024)

Principal Office

155 New Coventry Road
Sheldon
Birmingham
West Midlands
B26 3DX

Company Registration Number

08098742

Charity Registration Number

1148223

Independent Examiner

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

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance. Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

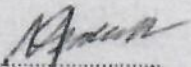
Disclosure of information to auditor

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.

Manarat Foundation

Trustees' and Directors' Report

The annual report was approved by the trustees of the charity on 20/12/2024 and signed on its behalf by:


.....
Mr Mohammad Shahidullah
Trustee

Manarat Foundation

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Manarat Foundation 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.

Manarat Foundation

Independent Examiner's Report to the trustees of Manarat Foundation

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2024 which are set out on pages 15 to 24.

Respective responsibilities of trustees and examiner

As the charity's trustees of Manarat Foundation (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 Manarat Foundation 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

Since Manarat Foundation'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:

1. accounting records were not kept in respect of Manarat Foundation 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: 2/12/24

Manarat Foundation

Statement of Financial Activities for the Year Ended 31 March 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	446,900	6,051	452,951
Total income		446,900	6,051	452,951
Expenditure on:				
Raising funds		(2,288)	-	(2,288)
Charitable activities	4	(230,649)	-	(230,649)
Total expenditure		(232,937)	-	(232,937)
Net income		213,963	6,051	220,014
Net movement in funds		213,963	6,051	220,014
Reconciliation of funds				
Total funds brought forward		704,636	174,942	879,578
Total funds carried forward	14	918,599	180,993	1,099,592
	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	324,115	6,302	330,417
Total income		324,115	6,302	330,417
Expenditure on:				
Charitable activities	4	(139,838)	(25,048)	(164,886)
Total expenditure		(139,838)	(25,048)	(164,886)
Net income/(expenditure)		184,277	(18,746)	165,531
Net movement in funds		184,277	(18,746)	165,531
Reconciliation of funds				
Total funds brought forward		520,359	193,688	714,047
Total funds carried forward	14	704,636	174,942	879,578

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2023 is shown in note 14.

Manarat Foundation

(Registration number: 08098742)
Balance Sheet as at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	11	1,290,811	1,318,248
Current assets			
Cash at bank and in hand	12	102,121	78,182
Creditors: Amounts falling due within one year	13	(293,340)	(516,852)
Net current liabilities		(191,219)	(438,670)
Net assets		1,099,592	879,578
Funds of the charity:			
Restricted income funds			
Restricted funds		180,993	174,942
Unrestricted income funds			
Unrestricted funds		918,599	704,636
Total funds	14	1,099,592	879,578

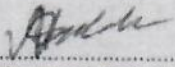
For the financial year ending 31 March 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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 16 to 25 were approved by the trustees, and authorised for issue on 20/12/2024 and signed on their behalf by:


Mr Mohammad Shahidullah
Trustee

Manarat Foundation

Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash income		220,014	165,531
Adjustments to cash flows from non-cash items			
Depreciation		27,437	25,048
		247,451	190,579
Working capital adjustments			
(Decrease)/increase in creditors	13	(223,512)	301,952
Net cash flows from operating activities		23,939	492,531
Cash flows from investing activities			
Purchase of tangible fixed assets	11	-	(487,797)
Net increase in cash and cash equivalents		23,939	4,734
Cash and cash equivalents at 1 April		78,182	73,448
Cash and cash equivalents at 31 March		102,121	78,182

All of the cash flows are derived from continuing operations during the above two periods.

Manarat Foundation

Notes to the Financial Statements for the Year Ended 31 March 2024

1 Charity status

The charity is limited by share capital, incorporated in .

The principal place of business is:

155 New Coventry Road

Sheldon

Birmingham

West Midlands

B26 3DX

2 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

Manarat Foundation 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.

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.

Manarat Foundation

Notes to the Financial Statements for the Year Ended 31 March 2024

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

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.

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:

Fixtures & Fitting: 15 years UEL straight line

Land & Buildings: 50 years UEL straight line

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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Manarat Foundation

Notes to the Financial Statements for the Year Ended 31 March 2024

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.

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.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

3 Income from donations and legacies

	Unrestricted funds		Total 2024	Total 2023
	General £	Restricted funds £	£	£
Donations and legacies;				
Donations to major appeals	-	6,051	6,051	6,302
Educational Activities	96,836	-	96,836	69,496
Donations from individuals	257,265	-	257,265	254,619
Gift aid reclaimed	92,799	-	92,799	-
	<u>446,900</u>	<u>6,051</u>	<u>452,951</u>	<u>330,417</u>

4 Expenditure on charitable activities

	2024 £	2023 £
Facility Cost	8,679	4,389
Employment costs	107,951	77,094
Depreciation	27,437	25,048
Food, hospitality and events	21,421	23,055
Office expenses	3,441	8,336
Grants	14,938	14,401
Governance	7,127	6,679
Utilities	18,831	5,884
Repairs and Maintenance	23,112	-
	<u>232,937</u>	<u>164,886</u>

Manarat Foundation

Notes to the Financial Statements for the Year Ended 31 March 2024

5 Analysis of governance and support costs

Governance costs

	Unrestricted funds		
	General	Total	Total
	£	2024	2023
		£	£
Independent examiner fees			
Examination of the financial statements	3,580	3,580	3,580
Legal and professional fees	3,547	3,547	3,099
	<u>7,127</u>	<u>7,127</u>	<u>6,679</u>

6 Net incoming/outgoing resources

Net incoming resources for the year include:

	2024	2023
	£	£
Depreciation of fixed assets	<u>27,437</u>	<u>25,048</u>

7 Trustees remuneration and expenses

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

Manarat Foundation

Notes to the Financial Statements for the Year Ended 31 March 2024

8 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	48,798	30,586

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

9 Independent examiner's remuneration

	2024 £	2023 £
Examination of the financial statements	3,580	3,580

Manarat Foundation

Notes to the Financial Statements for the Year Ended 31 March 2024

10 Taxation

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

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 April 2023	1,402,623	39,527	1,442,150
At 31 March 2024	1,402,623	39,527	1,442,150
Depreciation			
At 1 April 2023	107,347	16,555	123,902
Charge for the year	25,906	1,531	27,437
At 31 March 2024	133,253	18,086	151,339
Net book value			
At 31 March 2024	1,269,370	21,441	1,290,811
At 31 March 2023	1,295,276	22,972	1,318,248

12 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	3,000	-
Cash at bank	99,121	78,182
	102,121	78,182

13 Creditors: amounts falling due within one year

	2024 £	2023 £
Other creditors	-	63,372
Qard e Hasanah - community loans	288,900	449,900
Accruals	4,440	3,580
	293,340	516,852

Manarat Foundation

Notes to the Financial Statements for the Year Ended 31 March 2024

14 Funds

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
Unrestricted funds				
General	704,636	446,900	(232,937)	918,599
Restricted funds	174,942	6,051	-	180,993
Total funds	<u>879,578</u>	<u>452,951</u>	<u>(232,937)</u>	<u>1,099,592</u>

15 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds £
Tangible fixed assets	1,214,601	152,009	1,366,610
Current assets	102,121	-	102,121
Current liabilities	(356,713)	-	(356,713)
Total net assets	<u>960,009</u>	<u>152,009</u>	<u>1,112,018</u>

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2023 £
Tangible fixed assets	994,971	174,942	1,169,913
Current assets	78,182	-	78,182
Current liabilities	(453,480)	-	(453,480)
Total net assets	<u>619,673</u>	<u>174,942</u>	<u>794,615</u>