

Charity registration number 1149101

IMAM HASSAN MUJTABA FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 MAY 2021

IMAM HASSAN MUJTABA FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Sayed Hussain Jawid
	Mr Sayed Abbas Alavi
	Mr Najibollah Hematti
	Mr Said Mukhtar Alavi
	Mr Farid Massoud
	Mr Mohammed Amin Morad
Charity number	1149101
Principal address	18 Cranefield Drive
	Watford
	WD25 9TX
Accountants	RehncyShaheen Chartered Accountants
	1276/1278 Greenford Road
	Greenford
	Middlesex
	UB6 0HH
Bankers	HSBC Plc
	The Mall
	Stratford High Street
	London
	E15 1XL

IMAM HASSAN MUJTABA FOUNDATION

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IMAM HASSAN MUJTABA FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 29 MAY 2021

The trustees present their annual report and financial statements for the year ended 29 May 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's objectives are set out in the charity's trust deed and are summarised as follows:

The Charity strives to support Afghan Community settled in the United Kingdom in connection with the following:

- Advanced education and training
- Relieving Financial hardships
- Promoting Social Inclusion and
- Advancing Islamic religion in accordance with the Shia Ithna Asheri Faith.

Our objectives are set to reflect our community aims. Each year our trustees review our objectives and activities to ensure continued support to those charities in our focussed areas. In carrying out this review the trustees have considered the Charity Commission's general guidance on public benefit.

We want to build the trust through delivering its objectives. The trustees continue to have a long term strategy to support the orphans and ensure that the charity meets its objectives.

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

The charity is dependent on the voluntary of the trustees in administering its fund. As this work has no tangible value this is not recognised in the financial statements except as that referred to in notes to these accounts.

Achievements and performance

During the year various religious events were organised for the benefits of the community.

How our activities deliver public benefit

The Charity supports a wide range of activities by way of funding made available in pursuance of its charitable aims. The activities supported provide benefit to a wide selection of the community. In addition in determining the objectives for the year and planning the activities as set out in the report. The Trustees have considered the Charity Commission's guidance on public benefit including the guidance on public benefit and fee charging.

Financial review

The trustees have reviewed the reserves of the charity, The trustees deem it to be appropriate that the charity retains sufficient reserves to meet its operating commitment for approximately one year.

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.

The charity receives donations from various individuals this year being a total of £38,485 (2020- £61,032)

IMAM HASSAN MUJTABA FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 29 MAY 2021

The trustees have the power at their absolute discretion to the extent that the trustees shall have the same powers in all respect as if they were absolute owners beneficially entitled.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trust hopes to acquire Freehold premises for community affairs.

Structure, governance and management

The Imam Hassan Murtaba Foundation is constituted as a charitable trust registered with the Charity Commission in September 2012 under charity number 1149101. It is governed by a deed of trust last updated on 16 July 2012.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr Muhammad Amin Nori (Resigned 6 June 2021)

Mr Sayed Hussain Jawid

Mr Sayed Abbas Alavi

Mr Najibollah Hematti

Mr Said Mukhtar Alavi

Mr Farid Massoud

Mr Ali Jawad Sayed (Resigned 15 June 2021)

Mr Mohammed Amin Morad

There shall be at least three trustees. Further trustees shall be appointment by resolution of the trustees. If for any reason trustees cannot be appointed in accordance with the forgoing provisions, the statutory power of appointing new or additional trustees shall be exercisable.

None of the trustees has any beneficial interest in the charity.

The charity trustees are responsible for the general control and management of the charity. The Trustees by mutual agreement make the decision concerning charities supported and any donations made. The above criteria are a guide to these donations but donations are not restricted to these criteria.

Following appointment, new trustees are introduced to their new role and given copies of trust deed 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. Trustees are aware that is their responsibility to keep abreast of developments in relation to the governance of charities under the Charities Act.

The trustees' report was approved by the Board of Trustees.

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Mr Sayed Abbas Alavi
Trustee
Dated:

.....
Mr Said Mukhtar Alavi
Trustee
Dated:.....

IMAM HASSAN MUJTABA FOUNDATION

CHARTERED ACCOUNTANTS' REPORT TO THE TRUSTEES ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF IMAM HASSAN MUJTABA FOUNDATION FOR THE YEAR ENDED 29 MAY 2021

In order to assist you to fulfil your duties under the Charities Act 2011, we have prepared for your approval the financial statements of Imam Hassan Mujtaba Foundation for the year ended 29 May 2021, which comprise the statement of financial activities and the related notes from the charity's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>

This report is made to the charity's trustees, as a body, in accordance with the terms of our engagement letter dated 14 March 2017. Our work has been undertaken solely to prepare for your approval the financial statements of Imam Hassan Mujtaba Foundation and state those matters that we have agreed to state to the charity's trustees, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Imam Hassan Mujtaba Foundation and the charity's trustees as a body, for our work or for this report.

It is your duty to ensure that Imam Hassan Mujtaba Foundation has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and surplus of Imam Hassan Mujtaba Foundation. You consider that Imam Hassan Mujtaba Foundation is exempt from the statutory audit requirement for the year, and is not required to obtain an independent examiner's report.}

We have not been instructed to carry out an audit or a review of the financial statements of Imam Hassan Mujtaba Foundation. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

RehncyShaheen Chartered Accountants

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1276/1278 Greenford Road
Greenford
Middlesex
UB6 0HH

IMAM HASSAN MUJTABA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 29 MAY 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
<u>Income from:</u>							
Donations and legacies	3	33,485	5,000	38,485	44,032	17,000	61,032
Bank interest received	4	19	-	19	52	-	52
Total income		33,504	5,000	38,504	44,084	17,000	61,084
<u>Expenditure on:</u>							
Charitable activities	5	4,235	-	4,235	8,625	-	8,625
Other	9	-	-	-	62	-	62
Total expenditure		4,235	-	4,235	8,687	-	8,687
Net income for the year/ Net movement in funds		29,269	5,000	34,269	35,397	17,000	52,397
Fund balances at 30 May 2020		117,936	17,000	134,936	82,539	-	82,539
Fund balances at 29 May 2021		147,205	22,000	169,205	117,936	17,000	134,936

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

All income and expenditure derive from continuing activities.

IMAM HASSAN MUJTABA FOUNDATION

BALANCE SHEET

AS AT 29 MAY 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Cash at bank and in hand		169,805		136,076	
Creditors: amounts falling due within one year	10	(600)		(1,140)	
Net current assets			169,205		134,936
Income funds					
Restricted funds			22,000		17,000
Unrestricted funds			147,205		117,936
			169,205		134,936

The financial statements were approved by the Trustees on

.....
Mr Sayed Abbas Alavi
Trustee

.....
Mr Said Mukhtar Alavi
Trustee

IMAM HASSAN MUJTABA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 MAY 2021

1 Accounting policies

Charity information

The Imam Hassan Mujtaba Foundation is constituted as a charitable trust registered with the Charity Commission in September 2012 under charity number 1149101.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, 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 charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 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.

IMAM HASSAN MUJTABA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MAY 2021

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.

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes. 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. Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

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.

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.

IMAM HASSAN MUJTABA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MAY 2021

1 Accounting policies (Continued)

1.7 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 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	33,485	5,000	38,485	44,032	17,000	61,032

4 Bank interest received

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	19	52

IMAM HASSAN MUJTABA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MAY 2021

5 Charitable activities

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Religious events and activities	2,976	1,526
Venue hire costs	-	5,163
Telephone	74	116
Printing, postage and stationery	-	320
Website costs	1,050	450
	<u>4,100</u>	<u>7,575</u>
Share of governance costs (see note 6)	135	1,050
	<u>4,235</u>	<u>8,625</u>

6 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Accountancy	-	135	135	-	1,050	1,050
	<u>-</u>	<u>135</u>	<u>135</u>	<u>-</u>	<u>1,050</u>	<u>1,050</u>
Analysed between Charitable activities	-	135	135	-	1,050	1,050
	<u>-</u>	<u>135</u>	<u>135</u>	<u>-</u>	<u>1,050</u>	<u>1,050</u>

7 Trustees

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

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	-	-
	<u>-</u>	<u>-</u>

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

IMAM HASSAN MUJTABA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MAY 2021

9 Other

	Total £ 2021	Unrestricted funds 2020
Net loss on disposal of tangible fixed assets	-	62
	-	62

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	600	1,140

11 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 29 May 2021 are represented by:						
Current assets/(liabilities)	169,205	-	169,205	134,936	-	134,936
	169,205	-	169,205	134,936	-	134,936

12 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).