

**Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 July 2022
for
Al-Hijrah Trust**

Locke Williams Associates LLP
Chartered Accountants
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Al-Hijrah Trust

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Al-Hijrah Trust

Report of the Trustees for the Year Ended 31 July 2022

The trustees present their report with the financial statements of the charity for the year ended 31 July 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's constitution defines the charity's objects as being to:

1. To advance the Islamic religion anywhere in the world for the benefit of the public through the holding of prayer meetings, lectures, producing and/or distributing literature on the Islamic faith to enlighten others about the Islamic faith.
2. The prevention or the relief of poverty anywhere in the world by providing grants, items and services to the individuals in need and/or charities, or other organisations working to prevent or relieve poverty.
3. For the public benefit to promote education at every level, anywhere in the world, in such ways as the charity trustees think appropriate.

Public benefit

In setting these objectives and aims, the trustees have given due regard to the guidance published by the Charity Commission on Public Benefit.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Activities have gradually returned to normal this year following the Covid-19 lockdowns of 2020-2021.

The legal case regarding the Cherrywood building was won in March 2022 at the Land Tribunal and we are now awaiting transfer of the property to Al-Hijrah Trust and repayment of our costs..

Mosque

The Mosque continued to be well attended through the year for both daily prayers and Friday congregational prayers. We had a very successful Ramadhan which saw many new people attending the mosque.

Fundraising for the renovation project has continued and we are hoping to start the building work in the early part of 2023.

A regular programme of religious and educational talks has been carried out using a variety of speakers. There has been much more involvement from sisters providing educational and social activities for local women and children.

Madrasah

The Madrasah remained popular throughout the year with approximately 300 children. We have focussed on improving the provision of teaching and learning using the new syllabus which includes Quran, Arabic and Islamic Studies.

The neighbourhood in which the madrasah is based is a challenging one, with very high youth unemployment and youth crimes being a daily reality. The madrasah aims to steer the children into adolescence with the skills and outlook to manage these challenges.

Scouts

Al-Hijrah registered with the Scouts Association as the 331 Birmingham Scouts and started our Scouts program in June 2022. This was immediately oversubscribed and we are hoping to expand it in the coming year.

Tuition Project

A tuition project was started in June 2022. It teaches English, Maths and Science at Key Stages 3 and 4 and also preparation for 11 Plus exams.

Al-Hijrah Trust

Report of the Trustees for the Year Ended 31 July 2022

FINANCIAL REVIEW

Financial position

During the year, the charity raised £322,342 in donations £233,260 of which were raised for specific purposes), a further £127,537 from Madrasah fees and £102,325 in rental income. The charity claimed £11,332 under the Governments Coronavirus Job Retention Scheme. Total income for the year was £566,744 (2021 £345,056).

The charity spent a total of £378,464 on its charitable activities (2021 £324,511).

Reserves policy

Total unrestricted funds at 31 July 2022 were £580,965 (2021 £576,937). Of these, £(37,120) were 'free reserves'. Free reserves are reserves which do not include restricted funds or funds tied up in the fixed assets. As at 31 July, these negative free reserves are supported by the generous Qarde Hasan loans made to the charity totalling £147,000.

Total restricted reserves at 31 July 2022, being reserves of income given for specified purposes, were £275,805. Further details of these reserves are given in the notes to the financial statements.

FUTURE PLANS

We are continuing the fundraising for the Mosque extension and aim to start the building work in the early part of 2023. Once completed this will provide space for expansion of activities for women.

We are planning to start a Food Bank on the site to support members of the community dealing with food stress and poverty.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is governed by its governing document, registered on 2 October 2013 and amended on 11 December 2020.

Charity constitution

The Charity is constituted as a Charitable Incorporated Organisation (CIO), as a body corporate under Part 11 of the Charities Act 2011 on the 02 Oct 2013. The CIO registered with the Charity Commission on the same day.

Organisational structure

Trustees are legally responsible for the governance and management of the charity. Trustees are responsible of setting strategies and policies for ensuring these are implemented.

Risk management

The trustees have considered the major risks to which the charity is exposed and have reviewed potential risks. Systems and procedures have been put in place to manage the risks and to mitigate any adverse outcomes.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1154046

Principal address

Al-Hijrah Trust
71 Hob Moor Road
Birmingham
West Midlands
B10 9AZ

Trustees

Dr M Hanif
N Mahmood
M Bashir
N Tahir (appointed 24.6.22)

Al-Hijrah Trust

**Report of the Trustees
for the Year Ended 31 July 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

Locke Williams Associates LLP
Chartered Accountants
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Approved by order of the board of trustees on 18/05/2023 and signed on its behalf by:


Signer ID: XWMFQDCBIV

Dr M Hanif - Trustee

**Independent Examiner's Report to the Trustees of
Al-Hijrah Trust**

Independent examiner's report to the trustees of Al-Hijrah Trust

I report to the charity trustees on my examination of the accounts of Al-Hijrah Trust (the Trust) for the year ended 31 July 2022.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

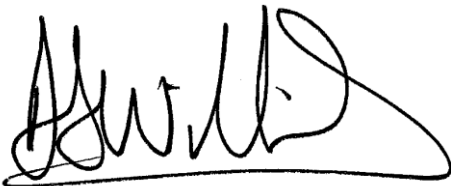
Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the ****ERROR - relevant professional body must be completed****, which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



David Williams FCA FCCA

Locke Williams Associates LLP
Chartered Accountants
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Date: 18 May 2023

Al-Hijrah Trust

**Statement of Financial Activities
for the Year Ended 31 July 2022**

	Notes	Unrestricted fund £	Restricted funds £	31.7.22 Total funds £	31.7.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	100,414	233,260	333,674	195,452
Charitable activities	4				
Charitable activities		130,690	-	130,690	49,617
Investment income	3	102,380	-	102,380	99,985
Other income		-	-	-	2
Total		<u>333,484</u>	<u>233,260</u>	<u>566,744</u>	<u>345,056</u>
 EXPENDITURE ON					
Charitable activities	5				
Charitable activities		<u>329,456</u>	<u>49,008</u>	<u>378,464</u>	<u>324,511</u>
 NET INCOME		4,028	184,252	188,280	20,545
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>576,937</u>	<u>91,553</u>	<u>668,490</u>	<u>647,945</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>580,965</u></u>	<u><u>275,805</u></u>	<u><u>856,770</u></u>	<u><u>668,490</u></u>

The notes form part of these financial statements

Al-Hijrah Trust

Balance Sheet 31 July 2022

	Notes	Unrestricted fund £	Restricted funds £	31.7.22 Total funds £	31.7.21 Total funds £
FIXED ASSETS					
Tangible assets	10	618,085	5,900	623,985	652,145
CURRENT ASSETS					
Debtors	11	849	-	849	-
Cash at bank and in hand		119,030	269,905	388,935	172,393
		119,879	269,905	389,784	172,393
CREDITORS					
Amounts falling due within one year	12	(9,999)	-	(9,999)	(6,048)
NET CURRENT ASSETS		109,880	269,905	379,785	166,345
TOTAL ASSETS LESS CURRENT LIABILITIES		727,965	275,805	1,003,770	818,490
CREDITORS					
Amounts falling due after more than one year	13	(147,000)	-	(147,000)	(150,000)
NET ASSETS		580,965	275,805	856,770	668,490
FUNDS	14				
Unrestricted funds				580,965	576,937
Restricted funds				275,805	91,553
TOTAL FUNDS				856,770	668,490

The financial statements were approved by the Board of Trustees and authorised for issue on 18/05/2023 and were signed on its behalf by:


Signer ID: XWWFQDCEBV...

M Hanif - Trustee

The notes form part of these financial statements

Al-Hijrah Trust

**Cash Flow Statement
for the Year Ended 31 July 2022**

	Notes	31.7.22 £	31.7.21 £
Cash flows from operating activities			
Cash generated from operations	1	<u>216,487</u>	<u>36,036</u>
Net cash provided by operating activities		<u>216,487</u>	<u>36,036</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(5,900)
Interest received		<u>55</u>	<u>-</u>
Net cash provided by/(used in) investing activities		<u>55</u>	<u>(5,900)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		216,542	30,136
Cash and cash equivalents at the beginning of the reporting period		<u>172,393</u>	<u>142,257</u>
Cash and cash equivalents at the end of the reporting period		<u><u>388,935</u></u>	<u><u>172,393</u></u>

The notes form part of these financial statements

Al-Hijrah Trust

Notes to the Cash Flow Statement for the Year Ended 31 July 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES		
	31.7.22	31.7.21
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	188,280	20,545
Adjustments for:		
Depreciation charges	28,159	28,159
Interest received	(55)	-
Increase in debtors	(849)	-
Increase/(decrease) in creditors	952	(12,668)
Net cash provided by operations	<u>216,487</u>	<u>36,036</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.8.21	Cash flow	At 31.7.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>172,393</u>	<u>216,542</u>	<u>388,935</u>
	<u>172,393</u>	<u>216,542</u>	<u>388,935</u>
Total	<u>172,393</u>	<u>216,542</u>	<u>388,935</u>

The notes form part of these financial statements

Al-Hijrah Trust

Notes to the Financial Statements for the Year Ended 31 July 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Income

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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.

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- Straight line over 50 years
Fixtures and fittings	- Straight line over 5 years

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

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.

Al-Hijrah Trust

Notes to the Financial Statements - continued for the Year Ended 31 July 2022

1. ACCOUNTING POLICIES - continued

Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. DONATIONS AND LEGACIES

	31.7.22	31.7.21
	£	£
Donations	322,342	140,161
Grants	<u>11,332</u>	<u>55,291</u>
	<u>333,674</u>	<u>195,452</u>

Grants received, included in the above, are as follows:

	31.7.22	31.7.21
	£	£
HMRC - coronavirus job retention scheme	<u>11,332</u>	<u>55,291</u>

Al-Hijrah Trust

Notes to the Financial Statements - continued for the Year Ended 31 July 2022

3. INVESTMENT INCOME

	31.7.22	31.7.21
	£	£
Rents received	102,325	99,985
Savings account gains	55	-
	<u>102,380</u>	<u>99,985</u>

4. INCOME FROM CHARITABLE ACTIVITIES

		31.7.22	31.7.21
	Activity	£	£
Madrasah fees	Charitable activities	127,537	49,617
Projects income	Charitable activities	3,153	-
		<u>130,690</u>	<u>49,617</u>

5. CHARITABLE ACTIVITIES COSTS

	Support costs (see note 6) £
Charitable activities	<u>378,464</u>

6. SUPPORT COSTS

	Direct costs £	Governance costs £	Totals £
Charitable activities	<u>346,006</u>	<u>32,458</u>	<u>378,464</u>

Support costs, included in the above, are as follows:

	31.7.22	31.7.21
	Charitable activities £	Total activities £
Wages	121,185	103,559
Pensions	330	273
Rates and water	27,509	13,173
Insurance	41,815	30,968
Light and heat	43,938	60,936
Telephone and fax	3,918	2,494
Printing, postage and stationery	2,209	3,164
Advertising	-	388
Sundries	4,058	808
Repairs and maintenance	18,523	4,141
Cleaning	-	32
Consultancy	-	6,565
Accountancy	2,525	6,165
Projects expenditure	1,637	-
Planning fees etc	15,160	-
Equipment, books etc	5,284	-
Donations	<u>29,756</u>	<u>-</u>
Carried forward	317,847	232,666

Al-Hijrah Trust

Notes to the Financial Statements - continued for the Year Ended 31 July 2022

6. SUPPORT COSTS - continued

	31.7.22 Charitable activities £	31.7.21 Total activities £
Brought forward	317,847	232,666
Depreciation of tangible and heritage assets	28,159	28,159
Accountancy and legal fees	-	1,200
Legal fees	31,031	62,486
Other professional costs	1,427	-
	<u>378,464</u>	<u>324,511</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2022 nor for the year ended 31 July 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2022 nor for the year ended 31 July 2021.

8. STAFF COSTS

	31.7.22 £	31.7.21 £
Wages and salaries	121,185	103,559
Other pension costs	330	273
	<u>121,515</u>	<u>103,832</u>

The average monthly number of employees during the year was as follows:

	31.7.22	31.7.21
Employees	<u>25</u>	<u>17</u>

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	103,899	91,553	195,452
Charitable activities			
Charitable activities	49,617	-	49,617
Investment income	99,985	-	99,985
Other income	<u>2</u>	<u>-</u>	<u>2</u>
Total	<u>253,503</u>	<u>91,553</u>	<u>345,056</u>

EXPENDITURE ON

Al-Hijrah Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2022**

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
Charitable activities			
Charitable activities	<u>324,511</u>	<u>-</u>	<u>324,511</u>
NET INCOME/(EXPENDITURE)	(71,008)	91,553	20,545
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>647,945</u>	<u>-</u>	<u>647,945</u>
TOTAL FUNDS CARRIED FORWARD	<u>576,937</u>	<u>91,553</u>	<u>668,490</u>

10. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 August 2021 and 31 July 2022	<u>700,000</u>	<u>70,796</u>	<u>770,796</u>
DEPRECIATION			
At 1 August 2021	<u>84,000</u>	<u>34,651</u>	<u>118,651</u>
Charge for year	<u>14,000</u>	<u>14,160</u>	<u>28,160</u>
At 31 July 2022	<u>98,000</u>	<u>48,811</u>	<u>146,811</u>
NET BOOK VALUE			
At 31 July 2022	<u>602,000</u>	<u>21,985</u>	<u>623,985</u>
At 31 July 2021	<u>616,000</u>	<u>36,145</u>	<u>652,145</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.22	31.7.21
	£	£
Other debtors	<u>849</u>	<u>-</u>

Al-Hijrah Trust

Notes to the Financial Statements - continued for the Year Ended 31 July 2022

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.22	31.7.21
	£	£
Other creditors	<u>9,999</u>	<u>6,048</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.7.22	31.7.21
	£	£
Other creditors	<u>147,000</u>	<u>150,000</u>

The accounts include Qarde Hasan of £147,000 (2021:£150,000) as long-term liabilities. These represent historic interest free loans given to the previous Al Hijrah Trust (charity no: 1018850) and now transferred to the new Al Hijrah CIO entity (charity no: 115046). £3,000 was repaid in the year.

The records supporting many of these old liabilities is weak, as it was lost when the Al Hijrah school was taken over by the Independent Executive Board (IEB) in 2014. Work is ongoing to rectify these records.

14. MOVEMENT IN FUNDS

	At 1.8.21 £	Net movement in funds £	At 31.7.22 £
Unrestricted funds			
General fund	576,937	4,028	580,965
Restricted funds			
Mosque extension fund	59,352	144,682	204,034
Yemen	25,505	(25,051)	454
Sound system	6,696	-	6,696
Afghanistan Appeal	-	64,449	64,449
IFCharity Appeal	-	172	172
	<u>91,553</u>	<u>184,252</u>	<u>275,805</u>
TOTAL FUNDS	<u>668,490</u>	<u>188,280</u>	<u>856,770</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	333,484	(329,456)	4,028
Restricted funds			
Mosque extension fund	163,934	(19,252)	144,682
Yemen	206	(25,257)	(25,051)
Afghanistan Appeal	64,449	-	64,449
IFCharity Appeal	4,671	(4,499)	172
	<u>233,260</u>	<u>(49,008)</u>	<u>184,252</u>
TOTAL FUNDS	<u>566,744</u>	<u>(378,464)</u>	<u>188,280</u>

Al-Hijrah Trust

Notes to the Financial Statements - continued for the Year Ended 31 July 2022

14. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.8.20 £	Net movement in funds £	At 31.7.21 £
Unrestricted funds			
General fund	647,945	(71,008)	576,937
Restricted funds			
Mosque extension fund	-	59,352	59,352
Yemen	-	25,505	25,505
Sound system	-	6,696	6,696
	-	91,553	91,553
TOTAL FUNDS	<u>647,945</u>	<u>20,545</u>	<u>668,490</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	253,503	(324,511)	(71,008)
Restricted funds			
Mosque extension fund	59,352	-	59,352
Yemen	25,505	-	25,505
Sound system	6,696	-	6,696
	91,553	-	91,553
TOTAL FUNDS	<u>345,056</u>	<u>(324,511)</u>	<u>20,545</u>

The Mosque extension fund is related to the project to expand the mosque to create an extra storey. Fundraising for this is ongoing.

The Yemen fund money was raised during Ramadhan 2021 to fund a bakery in Yemen. Al-Hijrah worked with Mercy Relief to purchase the equipment and raw materials to provide bread for thousands of needy people in Yemen.

An appeal was made for a new sound system during Ramadhan 2021 as the existing system was inadequate for the recitation of the Quran. The new system was installed a month later and has been used regularly for Friday prayers.

Al-Hijrah Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2022**

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2022.