

FAIZ UL QURAN EDUCATIONAL INSTITUTE

**213-217 LOZELLS ROAD
BIRMINGHAM B19 1RJ**

**REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 30 APRIL 2021**

FAIZ UL QURAN EDUCATIONAL INSTITUTE

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SIGNIFICANT INFORMATION

Principal office

FAIZ UL QURAN EDUCATIONAL INSTITUTE

213-217 LOZELLS ROAD
BIRMINGHAM B19 1RJ

Registered Charity no 1166467

Officers

The charity trustees during the year ended 30 April 2021 were

Mohammed Yaseen
Iftakhar Masood
Farzand Ali
Mohammed Shoaib
Mrs Tahira Khatoon
Asif Khan

Bankers

Barclays Bank PLC
Soho Road
Birmingham

FAIZ UL QURAN EDUCATIONAL INSTITUTE

TRUSTEES' REPORT FOR THE YEAR ENDED

30 April 2021

The Trustees present their report for the period ended 30 April 2021. The financial statements have been prepared in accordance with the accounting policies on page 7 and comply with the charity's trust deed and applicable law.

The charity was established by the Declaration of Trust Deed dated 7 October 2014 and the charity is registered with the Charity Commission in England (No:1166467) on 11 April 2016.

OBJECTS

The objects of the charity are to advance religion in accordance with the teachings of Islam. To advance education and promote the community participation in healthy recreation by providing facilities for playing particular sports. The building and maintenance of educational institute in particular but not exclusively for the benefit of the local and surrounding Muslim community in Birmingham.

ACTIVITIES AND PROGRESS

Faiz ul Quran Educational Institute intends to provide public benefit through its programmes of prayers and celebration of the key events in the Islamic Calendar. Activities are open to everyone in the community. Construction of charity premises was in progress during the year. Once completed it will be used for educational classes for the children in the locality.

The trustees have purchased 221 Lozells Road with a vision to utilise this site along with 219 Lozells Road, which was purchased previously to build a state of the art education centre for girls. The education centre will have 2 storey car park on the ground level and then a 2 storey education centre. The education centre will provide a safe and comfortable education environment for the girls along with a games/activity room.

The work on the Phase 3 extension has commenced which has started with the demolition of the properties on Lozells Road

We have started weekend classes for both men and women to study the Islamic Scholars course. We have also started weekly gatherings for the youth in which we cover topics affecting every day life.

FINANCE

During the period the charity raised funds by collecting donations and interest free friendly loans from the community members and grant from sister charity.

TRUSTEES' RESPONSIBILITY FOR THE ACCOUNTS

Charity law requires the trustees of the Association to prepare statements of accounts for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources for that period. In preparing those financial statements, the trustees are required to :

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- to prepare the financial statements in accordance with the methods and principles set out in the Statement of Recommended Practice Accounting and Reporting by Charities and to state whether or not the accounts have been prepared in accordance with that statement and applicable accounting standards;
- prepare the financial statements on the going concern basis unless it is inappropriate to
- presume that the charity will continue in operation.

**TRUSTEES' REPORT FOR THE YEAR ENDED
30 APRIL 2021 (continued)**

The trustees are responsible for keeping proper accounting records which are sufficient to show and explain the charity's transactions and to disclose with reasonable accuracy at any time the financial position of the Association, and to enable them to ensure that any statements of account comply with the requirements of the Charity (Accounts and Reports) Regulations 2000. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities

COVID19 IMPACT

As with many organisations, we have been following Government Guidance since March 16th 2020 to minimise the risk to the public, our staff, volunteers and members. The impact on revenue is significant due to the risks and social distancing rules. Revenue from collection boxes will be hit particularly hard since the public have not had opportunity to visit retail shops the boxes exist.

RISK MANAGEMENT

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the project , and are satisfied that systems are in place to mitigate our exposure to major risks.

RESERVES POLICY

The Reserve Fund represents unrestricted funds. The Trustees aim to maintain sufficient reserves so as to give flexibility to cover temporary timing differences for donations received, adequate working capital for core costs and which will allow them to respond quickly to the needs of the Trust.

On behalf of the Managing Committee

..... Trustee
Mohammed Yaseen

24 February 2022

Independent Examiner's Report to the Trustees of Faiz ul Quran Educational Institute

I report on the accounts of Faiz ul Quran Educational Institute for the year ended 30 April 2021 which are set out on pages 5 to 9.

Responsibilities and basis of report

As the charity's trustees 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 charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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 charity 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.

**MAHMOOD AHED
CHARTERED CERTIFIED ACCOUNTANT**

24 February 2022

**784 Alum Rock Road
Ward End
Birmingham B8 ATE**

FAIZ UL QURAN EDUCATIONAL INSTITUTE

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 30 APRIL 2021**

		2021	2020
Income and endowments from			
<i>Donations and legacies</i>			
Donations and grant received	2	66,431	272,843
Investment income	3	27,560	20,250
Teaching classes income		76,011	118,118
		-----	-----
Total incoming resources		170,002	411,211
		=====	=====
Charitable expenditure			
Expenditure on			
<i>Expenditure on charitable activities</i>			
Teachers cost		113,593	112,955
Sundry purchases		2,100	815
<i>Governance and support cost</i>			
Insurance		557	1,262
Heat and light		5,690	-
Post and stationery		1,391	-
Repairs and renewal		3,480	180
Cleaning and hygiene		297	2,855
Accountancy fee		600	600
Sundry expenses		476	-
Bank charges		106	1,276
Depreciation property		23,225	21,931
Depreciation: plant and equipment		418	492
		-----	-----
Total resources expended		151,933	142,366
		=====	=====
Net incoming (outgoing) resources before transfers		18,069	268,845
Fund balance brought forward		2,314,689	2,045,844
		-----	-----
Fund balance carried forward	6	2,332,758	2,314,689
		=====	=====

The notes on pages 7 to 10 form part of these accounts

FAIZ UL QURAN EDUCATIONAL INSTITUTE

BALANCE SHEET AS AT 30 APRIL 2021

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	4	1,798,264		1,718,281	
Investment properties	5	406,475		406,475	
		-----		-----	
		2,204,739		2,124,756	
CURRENT ASSETS					
Cash at bank and in hand		28,619	90,533		
Other debtors	6	100,000	100,000		
		-----	-----		
		128,619	190,533		
CREDITORS: Amounts falling due within one year					
		600	600		
		-----	-----		
TOTAL ASSETS LESS CURRENT LIABILITIES		128,019	189,933		
		-----	-----		
TOTAL ASSETS LESS CURRENT LIABILITIES		2,332,758	2,314,689		
		=====	=====		
FUNDS					
General funds	7	2,332,758	2,314,689		
		-----	-----		
		2,332,758	2,314,689		
		=====	=====		

Approved by the board of Trustees on 24 February 2022 and signed on their behalf by:

.....
Mohammed Yaseen

TRUSTEE

The notes on pages 7 to 10 form an integral part of these accounts.

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 30 APRIL 2021**

Summary of significant accounting policies

1. Basis of preparation

1.1 Basis of accounting

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 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) Charities Act 2011, and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accountancy policy notes. Where necessary the headings laid down in the Companies Act have been adapted to meet the special activities of the Association.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS102 Section 1A

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity.

The charity constitutes a public benefit entity as defined by FRS 102..

1.2 Income

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Grants and donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met. Revenue grants are credited to the income and expenditure account as received, unless related to a specific period, when it is placed in a restricted funds until it is used.

1.3 Gifts in kind

The charity receives the benefit of work carried out by volunteers, and receives the use of facility and equipment without charge. No value is placed on these items, where the benefit extends over several periods, in which case they are valued and included in the balance sheet at a reasonable valuation.

1.4 Tax reclaims on donations and gifts

Gift aid receivable is included in income when there is a valid declaration from the donor. Any gift aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise

**NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 30 APRIL 2021**

1.5 Taxation

As a registered charity, 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.

As a registered charity, the company benefits from Rates but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates. the company benefits from Rates relief and is generally exempt from Income tax and Capital Gains Tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

1.6 Depreciation

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

Plant and equipments	15 % reducing balance
Freehold Building	1 1/4% straight line

1.7 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably

1.8 Trustees' Remuneration and Expenses

No remuneration directly or indirectly out of the funds of the charity was paid or payable for the period to any trustee or to any person or persons known to be connected with any of them.

No reimbursement of expenses has been made or is due to be made to any of the trustees in respect of the year.

1.9. Funds

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

The only fund is unrestricted income/ revenue fund.

	2021	2020
	£	£
2. DONATIONS AND GIFTS		
Donations	66,431	272,843
	-----	-----
	66,431	272,843
	=====	=====
3. INVESTMENT INCOME		
Rent receivable	27,560	20,250
	=====	=====

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2021**

4. TANGIBLE FIXED ASSETS

	Freehold Building	Plant & Equipment	Total
	£	£	£
Cost			
As at 01/05/2020	1,754,390	3,861	1,758,251
Additions	103,626	-	103,626
	-----	-----	-----
As at 30/04/2021	1,858,016	3,861	1,861,877
	=====	=====	=====
Depreciation			
As at 30 April 2020	38,899	1,071	39,970
Charges for the year	23,225	418	23,643
	-----	-----	-----
As at 30 April 2021	62,124	1,489	63,613
	=====	=====	=====
Net Book value			
At 30 April 2021	1,795,892	2,372	1,798,264
	=====	=====	=====
At 30 April 2020	1,715,491	2,790	1,718,281
	=====	=====	=====
		2021	2020
		£	£

5. FIXED ASSETS INVESTMENTS

Investment properties @01/05/20	406,475	406,475
	-----	-----
Investment properties@ 30/04/21	406,475	406,475
	=====	=====

Investment properties for which fair value can be measured reliably are measured at fair value at each reporting date. The 2021 valuation was made by the trustees on an fair value basis and it was considered that the difference was not material from historical cost

6. OTHER DEBTORS.

Amount of £100,000 given to Muslim Charity which has got similar aims and objects to that of this Institute, on short term basis, repayable on demand and on interest free loan.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30 APRIL 2021**

7. FUNDS

	2021 £ Unrestricted funds
Opening balance	2,314,689
Incoming resources	170,002
Outgoing resources	(151,933)

As at 30 April 2021	2,332,758
	=====
Represented by	
Tangible fixed assets	2,204,739
Net current assets	128,019

As at 30 April 2020	2,332,758
	=====

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment. There is no formal policy of transfer between funds or on the allocation of funds to designated funds.

8. GOING CONCERN

As explained in the Trustees Report although the disruption caused by Coronavirus and lower expected income, Trustee's are satisfied that the charity will be able to continue its activities possibly at lower scale when it is allowed to reopen.. Also there should be no impact on charities reserve policy