

DARUL QURRA AND ISLAMIC RESEARCH CENTRE

Charity No. 1171449

Trustees' Report and Unaudited Accounts

31 December 2021

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 December 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity No. 1171449

Registered Office

26 Oakwood Road
Sparkhill
Birmingham
B11 4HA

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.
The following Directors and Trustees served during the year:

M.H. Ahmed
M. Akhlaq
A. Hafiz
M. Mahmood
I. Muhammad
M. Naveed

Accountants

Pro Accountancy Ltd
152a Dunstable Road
Luton
Bedfordshire
LU1 1EW

OBJECTIVES AND ACTIVITIES

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

Our dual aims remain to provide a facility where Muslims can worship and to provide a community facility for all the inhabitants of Birmingham. Our long-term ambition is to build the self-confidence of Birmingham's Muslims in their faith, and through our community facilities and activities help make our area a peaceful, vibrant and harmonious community.

Objects

- The advancement of faith and religious practices of Islam including Sufism in accordance with Qur'an and Sunnah.
- The advancement of education for the public benefit concerning teachings and practices of Islam including Sufism.
- The advancement of general education for the public benefit concerning all forms of useful knowledge.
- The provision recreational facilities and activities in the interests of social welfare with the object of improving the conditions of life for those persons in need of such facilities and activities.
- The advancement of both religious and racial harmony for the benefit of public.

Activities

The charity provides a wide range of activities in pursuance of its charitable aims. The trustees consider that these activities to provide benefit both to those who worship at our Mosque and the wider community of Birmingham.

ACHIEVEMENTS AND PERFORMANCE

The main achievements of the Charity during this year were to continue successfully with its main activities in the furtherance of its objectives.

The Charity once again managed to raise a good amount of money.

As usual the Charity received a good amount of donations.

FINANCIAL REVIEW

The Charity had a good year in terms of donations collected from members and the community.

The Charity has regular donors plus a few single donations. It is envisaged that this regular funding will continue for the foreseeable future.

PLANS FOR FUTURE PERIODS

The Charity hopes to raise more funds to furtherance of its objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

DARUL QURRA AND ISLAMIC RESEARCH CENTRE is a registered charity governed by CIO - FOUNDATION REGISTERED 03 FEB 2017

Trustees Annual Report

Organisational Structure

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits.

Appointment of new trustees

The Board of Trustees consists of local people that collectively have the skills, expertise and experience to ensure that the Charity is managed effectively.

Where a vacancy arises a new trustee is appointed only by the passing of a resolution of the Board of Trustees.

Statement of Trustee's responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year. In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is
- inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

M. Akhlaq

Trustee

31 December 2021



Independent Examiner's Report to the trustees of DARUL QURRA AND ISLAMIC RESEARCH CENTRE

I report to the charity trustees on my examination of the financial statements of DARUL QURRA AND ISLAMIC RESEARCH CENTRE for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that:

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (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 financial statements to be reached.



Pro Accountancy Ltd
152a Dunstable Road
Luton
Bedfordshire

LU1 1EW
31 December 2021

DARUL QURRA AND ISLAMIC RESEARCH CENTRE

Statement of Financial Activities

for the year ended 31 December 2021

	Notes	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:				
Donations and legacies	3	65,490	65,490	79,126
Total		65,490	65,490	79,126
Expenditure on:				
Raising funds	4	331	331	-
Charitable activities	5	12,503	12,503	-
Other	6	60,307	60,307	80,972
Total		73,141	73,141	80,972
Net gains on investments		-	-	-
Net expenditure		(7,651)	(7,651)	(1,846)
Transfers between funds		-	-	-
Net expenditure before other gains/(losses)		(7,651)	(7,651)	(1,846)
Other gains and losses				
Net movement in funds		(7,651)	(7,651)	(1,846)
Reconciliation of funds:				
Total funds brought forward		11,793	11,793	13,640
Total funds carried forward		4,142	4,142	11,794

DARUL QURRA AND ISLAMIC RESEARCH CENTRE
Summary Income and Expenditure Account
for the year ended 31 December 2021

	2021 £	2020 £
Income	65,490	79,126
Gross income for the year	<u>65,490</u>	<u>79,126</u>
Expenditure	73,141	80,973
Total expenditure for the year	<u>73,141</u>	<u>80,973</u>
Net expenditure before tax for the year	(7,651)	(1,846)
Net expenditure for the year	<u>(7,651)</u>	<u>(1,846)</u>

DARUL QURRA AND ISLAMIC RESEARCH CENTRE

Balance Sheet

at 31 December 2021

Company No.	Notes	2021 £	2020 £
Current assets			
Cash at bank and in hand		4,142	11,793
		<u>4,142</u>	<u>11,793</u>
Creditors: Amount falling due within one year	8	-	(1,110)
Net current assets		<u>4,142</u>	<u>10,683</u>
Total assets less current liabilities		<u>4,142</u>	<u>10,683</u>
Net assets excluding pension asset or liability		<u>4,142</u>	<u>10,683</u>
Total net assets		<u><u>4,142</u></u>	<u><u>10,683</u></u>
The funds of the charity			
Restricted funds	9		
Unrestricted funds	9		
General funds		(61,348)	11,793
Designated funds		65,490	-
		<u>4,142</u>	<u>11,793</u>
Reserves	9		
Total funds		<u><u>4,142</u></u>	<u><u>11,793</u></u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.


For the year ended 31 December 2021 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 31 December 2021

And signed on its behalf by:



M. Akhlaq

Trustee

31 December 2021

for the year ended 31 December 2021

1 Accounting policies**Basis of preparation**

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) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
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Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
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Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
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Volunteer help	The value of any volunteer help received is not included in the accounts.
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Investment income	This is included in the accounts when receivable.
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Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
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Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
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Notes to the Accounts

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

3 Income from donations and legacies

Unrestricted	Total 2021	Total 2020
£	£	£
522	522	79,126
64,968	64,968	-
<u>65,490</u>	<u>65,490</u>	<u>79,126</u>

4 Expenditure on raising funds

Unrestricted	Total 2021	Total 2020
£	£	£
<i>Costs of generating voluntary income</i>		
331	331	-
<u>331</u>	<u>331</u>	<u>-</u>

5 Expenditure on charitable activities

Unrestricted	Total 2021	Total 2020
£	£	£
<i>Expenditure on charitable activities</i>		
12,503	12,503	-
<i>Governance costs</i>		
<u>12,503</u>	<u>12,503</u>	<u>-</u>

6 Other expenditure

Unrestricted	Total 2021	Total 2020
£	£	£
Employee costs	10,930	7,400
Premises costs	48,877	72,798
Legal and professional costs	500	774
<u>60,307</u>	<u>60,307</u>	<u>80,972</u>

7 Staff costs

2021	2020
£	£
Salaries and wages	7,400
<u>10,930</u>	<u>7,400</u>

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

- 8 Creditors:
amounts falling due within one year

	2021 £	2020 £
Bank loans and overdrafts	-	1,110
	<u>-</u>	<u>1,110</u>

- 9 Movement in funds

	At 1 January 2021	Incoming resources (including other gains/losses) £	Resources expended £	At 31 December 2021 £
Restricted funds:				
Unrestricted funds:				
General funds	11,793	-	(73,141)	(61,348)
Designated funds:				
Cash	-	522	-	522
Bank	-	64,968	-	64,968
<i>Total</i>	<u>-</u>	<u>65,490</u>	<u>-</u>	<u>65,490</u>
 Total funds	 <u>11,793</u>	 <u>65,490</u>	 <u>(73,141)</u>	 <u>4,142</u>

Purposes and restrictions in relation to the funds:

Designated funds:

Cash	Cash donations
Bank	Bank donations

- 10 Analysis of net assets between funds

	Unrestricted funds £	Total £
Net current assets	4,142	4,142
	<u>4,142</u>	<u>4,142</u>

- 11 Reconciliation of net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash and cash equivalents	11,793	(7,651)	4,142
Bank overdrafts	(1,110)	1,110	-
	<u>10,683</u>	<u>(6,541)</u>	<u>4,142</u>
 Net debt	 <u>10,683</u>	 <u>(6,541)</u>	 <u>4,142</u>

12 Related party disclosures

Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

DARUL QURRA AND ISLAMIC RESEARCH CENTRE
Detailed Statement of Financial Activities
for the year ended 31 December 2021

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:			
Donations and legacies	522	522	79,126
	64,968	64,968	-
	<u>65,490</u>	<u>65,490</u>	<u>79,126</u>
Total income and endowments	65,490	65,490	79,126
Expenditure on:			
Costs of generating donations and legacies	331	331	-
	<u>331</u>	<u>331</u>	<u>-</u>
Total of expenditure on raising funds	331	331	-
Charitable activities	12,503	12,503	-
	<u>12,503</u>	<u>12,503</u>	<u>-</u>
Total of expenditure on charitable activities	12,503	12,503	-
Employee costs			
Salaries/wages	10,930	10,930	7,400
	<u>10,930</u>	<u>10,930</u>	<u>7,400</u>
Premises costs			
Light, heat and power	522	522	798
Premises repairs and maintenance	48,355	48,355	72,000
	<u>48,877</u>	<u>48,877</u>	<u>72,798</u>
Legal and professional costs			
Accountancy and bookkeeping	500	500	774
	<u>500</u>	<u>500</u>	<u>774</u>
Total of expenditure of other costs	<u>60,307</u>	<u>60,307</u>	<u>80,972</u>
Total expenditure	73,141	73,141	80,972
Net gains on investments	-	-	-
	<u>(7,651)</u>	<u>(7,651)</u>	<u>(1,846)</u>
Net expenditure	(7,651)	(7,651)	(1,846)
Net expenditure before other gains/(losses)	<u>(7,651)</u>	<u>(7,651)</u>	<u>(1,846)</u>
Other Gains	-	-	-

DARUL QURRA AND ISLAMIC RESEARCH CENTRE
Detailed Statement of Financial Activities

Net movement in funds	(7,651)	(7,651)	(1,846)
Reconciliation of funds:			
Total funds brought forward	11,793	11,793	13,640
Total funds carried forward	4,142	4,142	11,794