

IHSAN COMPASSION FUND
(CHARITABLE INCORPORATED ORGANISATION)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

IHSAN COMPASSION FUND (CIO)

LEGAL AND ADMINISTRATIVE INFORMATION



Trustees	Mohammed Mooneeb Patel Suleman Aswat Tehsin Hussain Suleman Makda Mohammed Amin Mayat
-----------------	---

Charity number	1179784
-----------------------	---------

Registered office	18 Howley Walk Batley West Yorkshire WF17 6PS
--------------------------	--

Bankers	Lloyds Bank PLC 45 Hustlergate Bradford West Yorkshire BD1 1NT
----------------	--

	Page
Trustees' Report	1-3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6
Notes	7- 8



The trustees present their annual report for Ihsan Compassion Fund (CIO) for the year ended 31 December 2021.

The financial statements comply with 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) (effective 1 January 2015), as modified by the exemption for small charities provided in Update Bulletin 1.

Structure, governance, and management

Ihsan Compassion Fund (CIO) is an incorporated entity governed under a Constitution of a Charitable Incorporated Organisation.

The Trustees are responsible for the overall management and control of Ihsan Compassion Fund (CIO), holding regular meetings and are responsible for electing trust members.

Ihsan Compassion Fund has a structure, criteria and process in place which makes it easy to distinguish as to whether an individual is eligible for support. The Trustees oversee the work within the charity and are responsible for the distribution of any funds. Employed and volunteer caseworkers are in place to manage the applications coming in. Each case that is received is screened and allocated to a caseworker. The caseworker has guidelines in place which are used to determine eligibility. A decision is then made as to whether the application has been successful. The wages for those who are employed by the charity are covered by donations received for administrative costs and via the gift aid scheme.

Use of volunteers

Volunteers are an important resource in both our faith and community work. Volunteers are involved in all aspects of our work and all our trustees also give their time freely. Each volunteer is given the relevant training regarding the aims of the charity and the processes involved in operating the charities day to day activities. Confidentiality agreements are signed by volunteers, an up-to-date DBS and copies of official ID are taken to protect the charity and ensure vulnerable service users are properly supported. The structure in place ensures confidentiality is instilled in the application process.

Risk Management

The Trustees are responsible for the overseeing of the risks faced by the charity. Risks are identified, assessed and controls are established throughout the year. The Trustees believe that the adopted approach of closely monitoring the operations and finances of the Charity will mitigate any significant risks.

Objectives and activities

All praise to the Almighty, through the mercy of the Almighty, Ihsan Compassion Fund operates with the objective to try and relieve poverty and economic disadvantage amongst individuals who are in a condition of need, hardship, or distress.

The Trustees are aware of the Charity Commission guidance on public benefit and their operation of the charity reflects this.

Achievement and performance

Ihsan Compassion Fund has been able to support numerous individuals and families financially. We have aided with debt repayment, accessing education and by helping beneficiaries with food, clothing, utility, household furniture and appliance costs. Also, we provided grant support to beneficiaries who were struggling financially due to the impact of COVID-19.

The impact that Ihsan Compassion Fund has had on the individual and families that have been supported has been tremendous and this is reflected on the feedback that has been received from applicants. This brief review gives an overview of the work undertaken and we hope to continue operating and developing in the coming years.

Future plans

In line with the expected growth of the charity, the current priority is to enhance the functionality and feature of the website to allow for a smooth and supportive application process for our applicant base. To underpin this, the office admin will undergo a transformation process to increase the automation and digital support to avoid delays when applications are received and support a faster turnaround from application to decision. Therefore, Ihsan Compassion Fund will be looking to increase the number of staff and volunteers involved, such that we can continue to grow and be of even more benefit to individuals in need.

The charity will be looking to re-establish an office base. The current agreement for the office occupied has ended and the need and value of a space for staff, volunteers, and when necessary, applicants has been seen over the last year.

The pilot scheme launched to support local scholars will continue with modest aims, as the charity focuses on the above essential priorities. The scheme supported two scholars over the last year. Moving forward, the charity will consider other scholars than qualify for the scheme and will invite them to join the process.

We pray the Almighty assists the charity to achieve its aims and goals. Ameen

Reference and administrative details

Charity name:	Ihsan Compassion Fund CIO
Other name the charity uses:	Ihsan Fund, ICF
Registered charity number:	1179784
Principal address:	18 Howley Walk, Batley West Yorkshire, WF17 6PS
Trustees:	Mohammed Mooneeb Patel Suleman Aswat Tehsin Hussain Suleman Makda Mohammed Amin Mayat
Email:	admin@ihsanfunduk.org
Website:	www.ihsanfunduk.org

Financial review

The financial results are as shown in the accounts.

At the end of the reporting period the charity had an income of £120,202 (2020: £87,233) and an expenditure of £143,406 (2020: £53,279), resulting in a total unrestricted funds balance of £54,549 (2020: £77,753) to carry forward.

Reserves Policy

We expect to hold £10,000 as reserves solely to be awarded as grants in the future when received donations are less than expected and do not meet the budgeted expenditure.

Statement of responsibilities of the trustees.

The charity's trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity's trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including income and expenditure, for that period. In preparing the financial statements, the charity's trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 Charities Act 2011.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The charity's trustees are satisfied that the internal controls operated to safeguard the Charity's assets are appropriate to the nature and scale of the Charity's operations.

The annual report was approved by the trustees on 23 August 2022 and signed on its behalf by:



Mohammed Mooneeb Patel
Trustee

I report to the trustees on my examination of the accounts of Ihsan Compassion Fund (CIO) for the year ended 31st December 2021.

This report is made solely to the charity's trustees, as a body. My examination has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose.

Respective responsibilities of trustees and examiner

As the charity's trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ("the Charities Act"). The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:

- examine the financial statements under section 145 of the Charities Act 2011.
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair' view, and the report is limited to those matters set out in the statement below.

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 which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 or are not consistent with the Charities SORP (FRS102), 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 to enable a proper understanding of the accounts to be reached.



Mueen Hyder ACCA
Independent Examiner

12 Sandiway Bank
Dewsbury
West Yorkshire
WF12 0SD

Dated: 23 August 2022

IHSAN COMPASSION FUND (CIO)

STATEMENT OF FINANCIAL ACTIVITIES

INCLUDING INCOME AND EXPENDITURE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021



		Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
	Notes				
<u>Income from:</u>					
Donations	2	112,023	-	112,023	86,753
Grants		-	-	-	400
Other income		10	-	10	70
Gift aid		8,169	-	8,169	-
Total income		120,202	-	120,202	87,233
<u>Expenditure on:</u>					
Charitable activities	3	143,406	-	143,406	54,766
Total resources expended		143,406	-	143,460	54,766
Net income/(expenditure) for the year/					
Net movement in funds		(23,204)	-	(23,204)	32,468
Fund balances at 1 January 2021		77,753	-	77,753	45,285
Fund balances at 31 December 2021		54,549	-	54,549	77,753

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

IHSAN COMPASSION FUND (CIO)

BALANCE SHEET

AS AT 31 DECEMBER 2021



Notes	2021		2020	
	£	£	£	£
Current assets				
Cash at bank and in hand	54,549		77,753	
	<hr/>		<hr/>	
	54,549		77,753	
	<hr/>		<hr/>	
Net current (liabilities)/assets		54,549		77,753
		<hr/>		<hr/>
Total assets less current liabilities		54,549		77,753
		<hr/>		<hr/>
Income funds				
Restricted funds		-		-
Unrestricted funds		54,549		77,753
		<hr/>		<hr/>
		54,549		77,753
		<hr/>		<hr/>

The financial statements were approved on behalf of the Trustees on 23 August 2022 by:

Mohammed Mooneeb Patel

Trustee

IHSAN COMPASSION FUND (CIO)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2021



1 Accounting policies

1.1 Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

1.2 Income

Income represents donations and gifts and is included in full in the Statement of Financial Activities in the period in which the charity is entitled to receipt, and the amount can be measured with reasonable certainty.

No income is stated net of any associated expenditure.

1.3 Expenditure

Charitable expenditure comprises of those costs incurred by the charity in the delivery of its activities and services to beneficiaries.

2 Donations

	2021	2020
	£	£
Donations	112,023	86,763

Donations represent Lillah, Sadaqah and Zakat donations received in the year.

3 Expenditure on charitable activities

	2021	2020
	£	£
Grants and vouchers	134,015	52,269
Student support	505	-
Ulema support	900	-
Empowerment support	323	-
COVID-19 support	700	1,010
Rent	1,128	-
Accountancy	310	-
Website costs	300	500
Printing, postage, and stationery	357	573
Telephone	72	30
Wages and salaries	4,795	384
	143,406	54,766

IHSAN COMPASSION FUND (CIO)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021



4 Staff Costs and numbers

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Administration	<u>4</u>	<u>1</u>

Employment costs

	2021	2020
	£	£
Wages and salaries	<u>4,795</u>	<u>384</u>

No employee received remuneration more than £60,000.

The key management personnel of the charity comprise of the Board of Trustees who give their time freely. No remuneration was paid to any of the Trustees in the year for their roles.