



**IHSAN COMPASSION FUND**  
(CHARITABLE INCORPORATED ORGANISATION)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

# IHSAN COMPASSION FUND (CIO)

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mohammed Mooneeb Patel Suleman Aswat Tehsin Hussain Suleman Makda Mohammed Amin Mayat
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<b>Charity number</b>	1179784
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<b>Registered office</b>	18 Howley Walk Batley West Yorkshire WF17 6PS
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<b>Bankers</b>	Lloyds Bank PLC 45 Hustlergate Bradford West Yorkshire BD1 1NT
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The trustees present their annual report for Ihsan Compassion Fund (CIO) for the year ended 31 December 2022.

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 to determine eligibility for support. The trustees oversee each aspect of the charity day to day running to ensure the appropriate collection, management distribution of funds. An employed casework manager and admin staff oversee case screening to determine eligibility and governance over case work carried out. Employed and volunteer caseworkers carry out full assessments of an applicant's affordability, living situation and support request and in line with the grant policy, determine an award amount. Cases are always 'second- eyes' checked to avoid errors or individual bias. Each case is then approved by at least two of the trustees, ahead of funds being awarded, either via BACS or 3rd party payments (dependent upon the application request)

Business expenses and staff wages are covered by donations received for administrative costs and via the gift aid scheme. Staff wages are always above the National Living wage and are reviewed bi-annually.

### **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

Our grant policy reflects what we believe to be the current and most urgent needs within our applicant pool. ICF supports living expenses, essential home furnishings, and debt repayment. Outside of the immediate needs of our beneficiaries, ICF also looks to support the long term needs of our beneficiaries via the empowerment fund which helps with education, trade and vocation costs in an effort to transform lives and help our beneficiaries get back on track.

ICF is pleased to report the grant service it operates is very well received by beneficiaries. The grant has supported them in some very difficult situations. To improve service and performance, ICF regularly requests feedback from beneficiaries, and this is displayed across social media and within the annual report. This further strengthens donor confidence, as well as encouraging those struggling to come forward and apply.

Lastly, the charity is extremely pleased to report the building of excellent relationships within our communities with organisations such as Councils, charities, domestic violence groups, social services and other organisations of the like. Developing these relationships has created another avenue for applications to ICF with thorough context, references, and case validity. ICF hopes to continue building these relationships to further achieve its objectives.

### Future plans

As the charity grows, via advertising and word of mouth, the Trustees are always reviewing the scaling potential of the charity. To meet the growing need and demand for the service, further work is required on the website to handle traffic, both from donors and applicants. The application process is regularly reviewed, both internally and independently to maintain and enhance its suitability. To increase turnaround time (currently 21 days) for applications, ICF is actively looking for further employed and volunteer support.

The charity will be looking to re-establish an office base to create a working environment for those associated with the charity. Previously, ICF was also able to offer face to face applications for those who struggled with the forms, this was an effective tool in meeting the diverse needs of our applicant pool.

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.

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

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### Financial review

The financial results are as shown in the accounts.

At the end of the reporting period the charity had an income of £208,352 (2021: £120,202) and an expenditure of £133,712 (2021: £143,406), resulting in a total unrestricted funds balance of £129,189 (2021: £54,549) 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 31 July 2023 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 31<sup>st</sup> December 2022.

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  
WF12 0SD

Dated: 31 July 2023

# IHSAN COMPASSION FUND (CIO)

## STATEMENT OF FINANCIAL ACTIVITIES

### INCLUDING INCOME AND EXPENDITURE ACCOUNTS

**FOR THE YEAR ENDED 31 DECEMBER 2022**



	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b><u>Income from:</u></b>					
Donations	2	187,430	-	187,430	112,023
Grants		-	-	-	-
Interest received		75	-	75	10
Gift aid		20,847	-	20,847	8,169
<b>Total incoming resources</b>		208,352	-	208,352	120,202
<b><u>Expenditure on:</u></b>					
Charitable activities	3	133,712	-	133,712	143,406
<b>Total resources expended</b>		133,712	-	133,712	143,406
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		74,640	-	74,640	(23,204)
Fund balances at 1 January 2022		54,549	-	54,549	77,753
<b>Fund balances at 31 December 2022</b>		129,189	-	129,189	54,549

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.

The notes on pages 7 to 8 form part of these accounts.



# IHSAN COMPASSION FUND (CIO)

## BALANCE SHEET

AS AT 31 DECEMBER 2022



Notes	2022		2021	
	£	£	£	£
<b>Current assets</b>				
Cash at bank and in hand	129,189		54,549	
	<hr/>		<hr/>	
	129,189		54,549	
	<hr/>		<hr/>	
<b>Net current (liabilities)/assets</b>		129,189		54,549
		<hr/>		<hr/>
<b>Total assets less current liabilities</b>		129,189		54,549
		<hr/>		<hr/>
<b>Income funds</b>				
Restricted funds		-		-
Unrestricted funds		129,189		54,549
		<hr/>		<hr/>
		129,189		54,549
		<hr/>		<hr/>

The notes on pages 7 to 8 form part of these accounts.

The financial statements were approved on behalf of the Trustees on 31 July 2023 by:

Mohammed Mooneeb Patel  
**Trustee**

# IHSAN COMPASSION FUND (CIO)

## NOTES TO THE FINANCIAL STATEMENTS



### FOR THE PERIOD ENDED 31 DECEMBER 2022

#### 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

	2022 £	2021 £
Donations	<u>187,430</u>	<u>112,023</u>

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

#### 3 Expenditure on charitable activities

	2022 £	2021 £
Grants and vouchers	116,053	134,015
Student support	2,660	505
Ulema support	2,300	900
Empowerment support	-	323
COVID-19 support	-	700
Bank charges	930	-
Rent	900	1,128
Accountancy	918	310
Advertising and marketing	309	-
Website costs	80	300
Printing, postage, and office supplies	955	358
Telephone	72	72
Wages and salaries	8,535	4,795
	<u>133,712</u>	<u>143,406</u>

**IHSAN COMPASSION FUND (CIO)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2022**



**4 Staff Costs and numbers**

The average monthly number of employees during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Administration	<u>4</u>	<u>4</u>

**Employment costs**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<u>8,535</u>	<u>4,795</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.