



IHSAN COMPASSION FUND
(CHARITABLE INCORPORATED ORGANISATION)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

IHSAN COMPASSION FUND (CIO)

LEGAL AND ADMINISTRATIVE INFORMATION



Trustees	Mohammed Mooneeb Patel Suleman Aswat Tehsin Hussain Suleman Makda Mohammed Amin Mayat
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Charity number	1179784
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Registered office	18 Howley Walk Batley West Yorkshire WF17 6PS
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Bankers	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 2023.

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 and 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)

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.

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

Each passing year sees a growing demand for financial assistance within our communities, attributed in part to the increasing recognition and establishment of the charity. In the last year, the spend of the charity has increased by over 50% when compared to the previous reporting year, representing the growing financial insecurity with this cost-of-living crisis. In the last year, our spend almost matched the entire spend of September 2018 - March 2022. This is an especially insightful reflection when considering, over the years we have reduced amounts granted to beneficiaries, to ensure we can sustain our service.

ICF is pleased to report the grant service it operates is very well received by beneficiaries. The grant has supported beneficiaries 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.

As our reputation grows and our engagement with our communities continues, we have been able to develop excellent working relationships with local, like-minded organisations. Regularly, we are in communication with NHS functions, local councils, domestic violence charities, refugee/asylum seeker associations and other civic societies. In completing this useful networking, the charity now has various referral channels to attract applicants.

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. This will also ensure we can increase capacity and consider further work outside our immediate priorities. This would include community education and social cohesion projects.

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 £163,828 (2022: £208,352) and an expenditure of £226,757 (2022: £133,712), resulting in a total unrestricted funds balance of £66,259 (2022: £129,189) 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 29 February 2024 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 2023.

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: 29 February 2024

IHSAN COMPASSION FUND (CIO)

STATEMENT OF FINANCIAL ACTIVITIES

INCLUDING INCOME AND EXPENDITURE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023



	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<u>Income from:</u>					
Donations	2	162,746	-	162,746	187,430
Grants		-	-	-	-
Interest received		1,082	-	1,082	75
Gift aid		-	-	-	20,847
Total incoming resources		163,828	-	163,828	208,352
<u>Expenditure on:</u>					
Charitable activities	3	226,757	-	226,757	133,712
Total resources expended		133,712	-	133,712	133,712
Net income/(expenditure) for the year/ Net movement in funds		(62,929)	-	(62,929)	74,640
Fund balances at 1 January 2023		129,189	-	129,189	54,549
Fund balances at 31 December 2023		66,260	-	66,260	129,189

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 2023



Notes	2023		2022	
	£	£	£	£
Current assets				
Cash at bank and in hand	66,260		129,189	
	<hr/>		<hr/>	
	66,260		129,189	
	<hr/>		<hr/>	
Net current (liabilities)/assets		66,260		129,189
		<hr/>		<hr/>
Total assets less current liabilities		66,260		129,189
		<hr/>		<hr/>
Income funds				
Restricted funds		-		-
Unrestricted funds		66,260		129,189
		<hr/>		<hr/>
		66,260		129,189
		<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 29 February 2024 by:

Mohammed Mooneeb Patel
Trustee

IHSAN COMPASSION FUND (CIO)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2023



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

	2023 £	2022 £
Donations	<u>162,746</u>	<u>187,430</u>

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

3 Expenditure on charitable activities

	2023 £	2022 £
Grants and vouchers	199,370	116,053
Student support	11,689	2,660
Ulema support	1,600	2,300
Wages and salaries	9,223	8,535
Bank charges	753	930
Rent	-	900
Professional Fees	716	918
Advertising and marketing	300	309
Website costs	1,364	80
Printing, postage, and office supplies	16	955
Telephone	72	72
Charitable donations	1,654	-
	<u>226,757</u>	<u>133,712</u>

IHSAN COMPASSION FUND (CIO)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2023



4 Staff Costs and numbers

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Administration	<u>5</u>	<u>4</u>

Employment costs

	2023 £	2022 £
Wages and salaries	<u>9,223</u>	<u>8,535</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.