



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

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

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

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"In the name of God, the Most Gracious, the Most Merciful"

The trustees present their annual report for Ihsan Compassion Fund (CIO) for the year ended 31 December 2025.

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.

Administrative expenses including 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 year, the demand for financial assistance within our communities continues to grow, reflecting both the increasing recognition of our charity and the ongoing impact of financial hardship. In 2025, our charitable spend was £178,868, a slight decrease from the previous year's £187,316. This reduction reflects our continued efforts to balance financial support with long-term sustainability, ensuring we can continue to serve those in need. The drop in charitable spend has been led primarily by the reduction in geographical focus of the charity. Previously, ICF operated UK wide. However, with societal acceptance of UK Zakah distribution and the growing need for financial support, many more UK grant organisations have come into existence. This has lessened the need for ICF to have a wide reach, rather the charity now focuses on Yorkshire and Humberside, Greater Manchester and Lancashire. As ever, our priority focus is always on North Kirklees.

Despite this, the need for assistance remains significant, as seen in the £260,430 received in donations—an continued year-on-year increase from 2024's £174,196. While this growth in support is encouraging, the cost-of-living crisis continues to put pressure on individuals and families, making our work more vital than ever. Administrative expenses increased to £17,932 (2024: £12,871) in-line with the increase in operations and development of our website. As we move forward, we remain committed to adapting our support and resources to meet the changing needs of our community while ensuring the long-term sustainability of our charity.

ICF is pleased to report that its grant service continues to be highly valued by beneficiaries, providing crucial support in difficult circumstances. To enhance our service and impact, we regularly seek feedback from beneficiaries, which is shared across social media and in our annual report. This transparency not only strengthens donor confidence but also encourages those in need to come forward and apply for support.

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 continues to grow through advertising and word of mouth, the Trustees remain focused on reviewing and enhancing its scalability. To support the increasing demand for our services, we have successfully completed the upgrades to our website, which will be rolled out prior to Ramadan 2026. This will ensure a smooth transition for both donors and applicants while maintaining the efficiency of our operations.

Additionally, in 2026, we will continue to implement a no-charge policy on donations, ensuring that donors are not burdened with transaction fees. Instead, these costs will be covered through Gift Aid contributions, making it even more crucial for eligible donors to opt in so the charity can continue to maintain its 100% donation policy.

The application process continues to be regularly reviewed, both internally and independently, to maintain and enhance its effectiveness. To further improve our application turnaround time, currently at 21 days, we are actively seeking additional employed and volunteer support. Expanding our team will also allow us to increase capacity and explore new initiatives, such as community education and social cohesion projects, alongside our core services.

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

Reference and administrative details (continued)

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 £277,275 (2024: £188,479) and an expenditure of £196,798 (2024: £200,187), resulting in a total unrestricted funds balance of £135,029 (2024: £54,552) 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 20 February 2026 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 2025.

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

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Association of Certified Chartered Accountants.

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: 20 February 2026

IHSAN COMPASSION FUND (CIO)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNTS



FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
<u>Income from:</u>					
Donations	2	260,430	-	260,430	174,196
Interest received		1,107	-	1,107	1,152
Gift aid		15,738	-	15,738	13,131
Total incoming resources		277,275	-	277,275	188,479
<u>Expenditure on:</u>					
Charitable activities	3	196,798	-	196,798	200,187
Total resources expended		196,798	-	196,798	200,187
Net income and movement in funds		80,477	-	80,477	(11,708)
Reconciliation of funds:					
Fund balances at 1 January 2025		54,552	-	54,552	66,260
Fund balances at 31 December 2025		135,029	-	135,029	54,552

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

IHSAN COMPASSION FUND (CIO)

BALANCE SHEET

AS AT 31 DECEMBER 2025



	Notes	2025 £	£	2024 £	£
Current assets					
Debtors	6	1,210		-	
Cash at bank and in hand		135,505		54,552	
		136,715		54,552	
Creditors: amounts falling due within one year	7	(1,686)		-	
Net current assets		135,029		54,552	
Total assets less current liabilities		135,029		54,552	
Income funds					
Restricted funds		-		-	
Unrestricted funds		135,029		54,552	
		135,029		54,552	

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

The financial statements were approved on behalf of the Trustees on 20 February 2026 by:

A handwritten signature in black ink, appearing to read "M Patel".

Mohammed Mooneeb Patel
Trustee

IHSAN COMPASSION FUND (CIO)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2025



1 Accounting policies

1.1 Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention. 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 financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

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 and includes any VAT which cannot be fully recovered. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

2 Donations

	Unrestricted Funds 2025 £	Unrestricted Funds 2024 £
Donations	260,429	174,196

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

3 Expenditure on charitable activities

	Unrestricted Funds 2025 £	Unrestricted Funds 2024 £
Grants and vouchers	176,618	185,393
Wages and salaries	12,004	10,383
Bank charges	2,301	851
Professional Fees	1,540	916
Advertising and marketing	408	175
Website costs	1,280	12
Administrative expenses	397	498
Telephone	-	36
Charitable donations	2,250	1,923
	196,798	200,187

IHSAN COMPASSION FUND (CIO)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2025



4 Staff Costs and numbers

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Administration	<u>5</u>	<u>5</u>

Employment costs

	2025 £	2024 £
Wages and salaries	<u>12,004</u>	<u>10,383</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.

5 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

6 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Accrued income	<u>1,210</u>	<u>-</u>

7 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	381	-
Other creditors	705	-
Accruals	<u>600</u>	<u>-</u>
	<u>1,686</u>	<u>-</u>