

**Al-Sadaqah**

**Charity No. 1180175**

**Trustees' Report and Unaudited Accounts**

**31 March 2023**

**Al-Sadaqah**  
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The trustees present their report with the unaudited financial statements of the charity for the year ended 31 March 2023.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

### **Charity No. 1180175**

#### **Trustees**

The following trustees served during the year:

M.B. Afridi

P. Haroon

I.U.J. Rafique

#### **Accountants**

Meer & Co Chartered Accountants

1 Cochrane House

Admirals way

Canary Wharf

London

E14 9UD

## **OBJECTIVES AND ACTIVITIES**

The purpose of the charity as set out in its governing document is that the charity works towards the relief of poverty, the advancement of education and relief of sickness of people living in any part of the world but mainly Pakistan by the provision of financial assistance, food, medical supplies and equipment, care shelter, education, clean water and assistance into employment.

## **ACHIEVEMENTS AND PERFORMANCE**

During the year we have been collecting the funds for the projects in Pakistan. We have started delivering the shelter, food and water wells for the poor and needy people.

## **FINANCIAL REVIEW**

The principal source of funds are donations from individuals. The financial statements show incoming resources for the year and the charity is holding funds for its future projects.

The trustees have set a level equivalent to one month of operating costs for the organization as a desired level of reserve.

## **PLANS FOR FUTURE PERIODS**

We are planning to provide shelter to disabled and needy people. We have also identified the areas where people do not have access to clean drinking water. There are also plans to provide food to struggling and disadvantaged families. We have plans in place of how we are going to work with local volunteers.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Al Sadaqah was registered as CIO foundation on 04th October 2018. The charity is operated under the rules of its constitution governed by the Charitable Incorporated Organizations regulations 2012. The responsibility for the strategic management of the charity rests solely with the Trustees, who are selected under the terms of the charity constitution.

The charity may by ordinary resolution appoint a person who is willing to act as trustee.

**Statement of trustees' responsibilities in relation to the financial statements**

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

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, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. 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.

Signed on behalf of the charity's trustees

P. Haroon

Trustee

14 March 2024

**Al-Sadaqah**  
**Statement of Financial Activities**  
**for the year ended 31 March 2023**

		Unrestricted		
		funds	Total funds	Total funds
		2023	2023	2022
	Notes	£	£	£
<b>Income and endowments from:</b>				
Donations and legacies	3	9,406	9,406	17,187
<b>Total</b>		<b>9,406</b>	<b>9,406</b>	<b>17,187</b>
<b>Expenditure on:</b>				
Charitable activities	4	22,280	22,280	10,600
<b>Total</b>		<b>22,280</b>	<b>22,280</b>	<b>10,600</b>
Net gains on investments		-	-	-
<b>Net (expenditure)/income</b>		<b>(12,874)</b>	<b>(12,874)</b>	<b>6,587</b>
Transfers between funds		-	-	-
<b>Net (expenditure)/income before other gains/(losses)</b>		<b>(12,874)</b>	<b>(12,874)</b>	<b>6,587</b>
<b>Other gains and losses</b>				
<b>Net movement in funds</b>		<b>(12,874)</b>	<b>(12,874)</b>	<b>6,587</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		13,662	13,662	7,075
<b>Total funds carried forward</b>		<b>788</b>	<b>788</b>	<b>13,662</b>

**Al-Sadaqah**  
**Balance Sheet**  
**at 31 March 2023**

**Charity No. 1180175**

		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
<b>Current assets</b>			
Debtors	6	788	13,662
		<u>788</u>	<u>13,662</u>
<b>Net current assets</b>		788	13,662
<b>Total assets less current liabilities</b>		<u>788</u>	<u>13,662</u>
<b>Net assets excluding pension asset or liability</b>		<u>788</u>	<u>13,662</u>
<b>Total net assets</b>		<u>788</u>	<u>13,662</u>
<b>The funds of the charity</b>			
<b>Restricted funds</b>	7		
<b>Unrestricted funds</b>	7		
General funds		788	13,662
		<u>788</u>	<u>13,662</u>
<b>Reserves</b>	7		
<b>Total funds</b>		<u>788</u>	<u>13,662</u>

Approved by the trustees on 14 March 2024

And signed on their behalf by:

P. Haroon  
Trustee  
14 March 2024

**for the year ended 31 March 2023**

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared in accordance with 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.

**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.
Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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.
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.
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.
Volunteer help	The value of any volunteer help received is not included in the accounts.
Investment income	This is included in the accounts when receivable.
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.
Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.

**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 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 charity pays fixed contributions into a separate entity. Once the contributions have been paid the charity 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 charity 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 Statement of Financial Activities - prior year

	Unrestricted funds 2022 £	Total funds 2022 £
<b>Income and endowments from:</b>		
Donations and legacies	17,187	17,187
<b>Total</b>	<u>17,187</u>	<u>17,187</u>
<b>Expenditure on:</b>		
Charitable activities	10,600	10,600
<b>Total</b>	<u>10,600</u>	<u>10,600</u>
<b>Net income</b>	<u>6,587</u>	<u>6,587</u>
<b>Net income before other gains/(losses)</b>	6,587	6,587
<b>Other gains and losses:</b>		
<b>Net movement in funds</b>	<u>6,587</u>	<u>6,587</u>
<b>Reconciliation of funds:</b>		
Total funds brought forward	7,075	7,075
<b>Total funds carried forward</b>	<u>13,662</u>	<u>13,662</u>

## 3 Income from donations and legacies

Unrestricted	Total 2023	Total 2022
£	£	£
9,406	9,406	17,187
<u>9,406</u>	<u>9,406</u>	<u>17,187</u>

## 4 Expenditure on charitable activities

	Unrestricted	Total 2023	Total 2022
	£	£	£
<i>Expenditure on charitable activities</i>			
	22,280	22,280	10,600
<i>Governance costs</i>			
	<u>22,280</u>	<u>22,280</u>	<u>10,600</u>

## 5 Staff costs

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

## 6 Debtors

	2023 £	2022 £
Other debtors	788	13,662
	<u>788</u>	<u>13,662</u>

## 7 Movement in funds

	At 1 April 2022	Incoming resources (including other gains/losses ) £	Resources expended £	At 31 March 2023 £
<b>Restricted funds:</b>				
<b>Unrestricted funds:</b>				
<b>General funds</b>	13,662	9,406	(22,280)	788
<b>Total funds</b>	<u>13,662</u>	<u>9,406</u>	<u>(22,280)</u>	<u>788</u>

## 8 Analysis of net assets between funds

	Unrestricted funds £	Total £
Net current assets	788	788
	<u>788</u>	<u>788</u>

**Al-Sadaqah**  
**Detailed Statement of Financial Activities**  
**for the year ended 31 March 2023**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
<b>Income and endowments from:</b>			
Donations and legacies	9,406	9,406	17,187
	<u>9,406</u>	<u>9,406</u>	<u>17,187</u>
<b>Total income and endowments</b>	<b>9,406</b>	<b>9,406</b>	<b>17,187</b>
<b>Expenditure on:</b>			
Charitable activities	22,280	22,280	10,600
	<u>22,280</u>	<u>22,280</u>	<u>10,600</u>
<b>Total of expenditure on charitable activities</b>	<b>22,280</b>	<b>22,280</b>	<b>10,600</b>
<b>Total expenditure</b>	<b>22,280</b>	<b>22,280</b>	<b>10,600</b>
Net gains on investments	-	-	-
	<u>(12,874)</u>	<u>(12,874)</u>	<u>6,587</u>
<b>Net (expenditure)/income</b>	<b>(12,874)</b>	<b>(12,874)</b>	<b>6,587</b>
<b>Net (expenditure)/income before other gains/(losses)</b>	<b>(12,874)</b>	<b>(12,874)</b>	<b>6,587</b>
Other Gains	-	-	-
	<u>(12,874)</u>	<u>(12,874)</u>	<u>6,587</u>
<b>Net movement in funds</b>	<b>(12,874)</b>	<b>(12,874)</b>	<b>6,587</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward	13,662	13,662	7,075
<b>Total funds carried forward</b>	<b><u>788</u></b>	<b><u>788</u></b>	<b><u>13,662</u></b>