

AR-RAYYAN FOUNDATION

England & Wales · Charity number 1181578

Details

Status Registered

Legal form CIO

Registered 2019-01-15

Register [View on the Charity Commission register](#)

Contact

Address 153 Chingford Lane
Woodford Green
IG8 9QR

Phone 07414622179

Email arrayyanfoundation@gmail.com

Activities

Objects: (1) TO RELIEVE FINANCIAL HARDSHIP, DISTRESS AND SUFFERING AMONG POOR PEOPLE, WIDOWS, ORPHANS, VICTIMS OF NATURAL DISASTERS AND OTHER PEOPLE IN NEED BY MEANS OF, BUT NOT EXCLUSIVELY, MAKING GRANTS OR LOANS FOR PROVIDING OR PAYING FOR ITEMS, EQUIPMENT, SERVICES AND FACILITIES, INCLUDING THE PROVISION OF FOOD, CLEAN WATER, CLOTHING AND MEDICINES FOR THE BENEFIT OF THE SAID PERSONS;(2)TO ADVANCE EDUCATION FOR THE BENEFIT OF THE POOR, THE UNDERPRIVILEGED AND THE GENERAL PUBLIC BY MEANS OF, BUT NOT EXCLUSIVELY, THE PROVISION OR THE ASSISTANCE IN THE PROVISION OF SUPPLEMENTARY SCHOOLS AND NURSERIES;(3)TO ADVANCE THE RELIGION OF ISLAM BY MEANS OF, BUT NOT EXCLUSIVELY, THE PROVISION OF FACILITIES OF WORSHIP AND ISLAMIC EDUCATION BASED ON THE TEACHINGS OF THE QURAN AND THE SUNNAH OF THE PROPHET MUHAMMAD (PEACE BE UPON HIM) ACCORDING TO THE INTERPRETATION AND ACCEPTED VIEWS OF THE AHLE SUNNAH WAL JAMAAH. (HEREIN REFERRED TO AS "THE DOCTRINE").

Activities: Serving the local community. Provide Education at all levels through special courses and classes. Diverse activities embracing all cultural backgrounds.Help / Facilitate Youth Activities.

Classification

- **How:** Makes Grants To Individuals, Provides Services
- **What:** General Charitable Purposes, Education/training, Disability, The Prevention Or Relief Of Poverty, Religious Activities, Recreation, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£43,725	£46,321	-	-
2023-12-31	£46,472	£46,173	-	-
2022-12-31	£36,712	£28,562	-	-
2021-12-31	£35,958	£41,964	-	-
2020-12-31	£42,888	£34,347	-	-

Trustees

Name	Role	Appointed
SULEIMAN MSELEM MBARAK	Chair	2019-01-15
FATIMA OMAR HABIB		2019-01-15
GHARIB KHAMIS MAALIM		2019-01-15
Khadija Omar Habib		2020-12-24
MASOUD MOHAMMED ALLY		2019-01-15
SABRINA NASSIR MOHAMMED		2019-01-15
SAID MKUBWA NASSOR		2019-01-15

AR-RAYYAN FOUNDATION

England & Wales - Charity number 1181578

Accounts

AR-RAYYAN FOUNDATION
Unaudited Financial Statements
31 December 2024

FRED MICHAEL & CO

Chartered accountants
12 Town Quay Wharf
Abbey Road
Barking
UK
IG11 7BZ

AR-RAYYAN FOUNDATION

Financial Statements

Year ended 31 December 2024

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	5
Statement of financial activities	6
Statement of financial position	7
Statement of cash flows	8
Notes to the financial statements	9

AR-RAYYAN FOUNDATION

Trustees' Annual Report

Year ended 31 December 2024

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2024.

Reference and administrative details

Registered charity name	AR-RAYYAN FOUNDATION
Charity registration number	1181578
Principal office	153 CHIINGFORD LANE LONDON IG3 9QR ESSEX

The trustees

Ms FATIMA OMAR HABIB
Mr GHARIB KHAMIS MAALIM
Mr MASOUD MOHAMMED ALLY
Mr SAID MKUBWA NASSOR
Ms SABRINA NASSIR
MOHAMMED
MS KHADIJA OMAR HABIB
Mr SULEIMAN MSELEM
MBARAK

Independent examiner	Fred Michael & Co 12 Town Quay Wharf Abbey Road Barking IG11 7BZ
-----------------------------	--

Structure, governance and management

Trustees meet regularly to oversee operations and ensure compliance with legal and financial responsibilities. All trustees volunteer their time and do not receive remuneration for their services.

The charity has 2 members of paid staff and a number of dedicated volunteers who support its activities. All staff are DBS-checked and trained in the safeguarding of children to ensure a safe environment for all students.

AR-RAYYAN FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 December 2024

Objectives and activities

The AR-RADIAN FOUNDATION aims to:

- " Relieve financial hardship, particularly for the poor, widows, and orphans.
- " Advance education, particularly Islamic and Quaint studies.
- " Provide youth and community support services.

In 2023, we focused on:

- " Islamic education: Offering Quaint and other essential Islamic studies.
- " Community services: Supporting vulnerable groups through grants and educational programs.
- " Online learning: Providing global access to Islamic studies through our virtual classroom platform.

Achievements and performance

Throughout 2024, AR-RADIAN FOUNDATION served its community by expanding its educational reach, both locally and internationally. We successfully delivered:

- " Weekend supplementary classes at First Floor, 691 Green Lane, Dagenham, RM8 1UU
- " Online Quranic lessons that reached students globally.
- " Financial aid to disadvantaged families, in line with our charitable objectives.

Our focus remained on building a safe, welcoming environment where students can grow both spiritually and academically.

AR-RAYYAN FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 December 2024

Financial review

For the year ending 31 December 2023:

Total Income:	£43,725
Total Expenditure:	£46,321

This resulted in a small surplus of £2596.00, due to increased community support and operational costs.

Main Sources of Income:

- Fundraising initiatives run by the charity
- Voluntary contributions from parents of children attending our educational establishment
- DYLOGICS LIMITED
- AUTO TRADE VALLEY
- VARDALIA S A

These donations have been vital in maintaining and expanding our charitable activities.

Reserves Policy:

We maintain a small reserve to ensure the sustainability of our operations and to meet unexpected costs.

Plans for future periods

AR-RAYYAN FOUNDATION aspires to continue growing, both in the number of students it serves and the scope of its charitable activities. We plan to:

- " Expand educational initiatives, both in-person and online.
- " Increase fundraising efforts to ensure long-term sustainability.
- " Continue supporting vulnerable individuals through financial aid and community services.

Our commitment remains to foster spiritual and educational growth, rooted in the values of Islam, for the benefit of the wider community.

AR-RAYYAN FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 December 2024

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Ms FATIMA OMAR HABIB
Trustee

Mr MASOUD MOHAMMED ALLY
Trustee

Mr SULEIMAN MSELEM MBARAK
Trustee

AR-RAYYAN FOUNDATION

Independent Examiner's Report to the Trustees of AR-RAYYAN FOUNDATION

Year ended 31 December 2024

I report to the trustees on my examination of the financial statements of AR-RAYYAN FOUNDATION ('the charity') for the year ended 31 December 2024.

Responsibilities and basis of report

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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 in order to enable a proper understanding of the accounts to be reached.

Fred Michael & Co

12 Town Quay Wharf
Abbey Road
Barking
IG11 7BZ

Independent Examiner

AR-RAYYAN FOUNDATION

Statement of Financial Activities

Year ended 31 December 2024

		2024		2023
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	–	–	46,472
Other trading activities	5	43,725	43,725	–
Total income		<u>43,725</u>	<u>43,725</u>	<u>46,472</u>
Expenditure				
Expenditure on charitable activities	6,7	46,321	46,321	46,173
Total expenditure		<u>46,321</u>	<u>46,321</u>	<u>46,173</u>
Net (expenditure)/income and net movement in funds		<u>(2,596)</u>	<u>(2,596)</u>	<u>299</u>
Reconciliation of funds				
Total funds brought forward		15,395	15,395	9,074
Total funds carried forward		<u>12,799</u>	<u>12,799</u>	<u>9,373</u>

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 9 to 14 form part of these financial statements.

AR-RAYYAN FOUNDATION

Statement of Financial Position

31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	10	443	–
Current assets			
Cash at bank and in hand		12,356	9,373
Net current assets		12,356	9,373
Total assets less current liabilities		<u>12,799</u>	<u>9,373</u>
Funds of the charity			
Unrestricted funds		12,799	9,373
Total charity funds	11	<u>12,799</u>	<u>9,373</u>

These financial statements were approved by the board of trustees and authorised for issue on 31 December 2021, and are signed on behalf of the board by:

Mr GHARIB KHAMIS MAALIM
Trustee

The notes on pages 9 to 14 form part of these financial statements.

AR-RAYYAN FOUNDATION

Statement of Cash Flows

Year ended 31 December 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net (expenditure)/income	(2,596)	299
Cash generated from operations	(2,596)	299
Net cash (used in)/from operating activities	<u>(2,596)</u>	<u>299</u>
Cash flows from investing activities		
Purchase of tangible assets	(443)	–
Net cash used in investing activities	<u>(443)</u>	<u>–</u>
Net (decrease)/increase in cash and cash equivalents	(3,039)	299
Cash and cash equivalents at beginning of year	<u>9,373</u>	<u>9,074</u>
Cash and cash equivalents at end of year	<u>6,334</u>	<u>9,373</u>

The notes on pages 9 to 14 form part of these financial statements.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements

Year ended 31 December 2024

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 153 Chingford lane, London, IG3 9QR, Essex.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

All estimates are made to the best available information. The trustees always sets targets and estimates based on the policies at the time.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Donations				
Donations	–	–	37,133	37,133
Donations type 2	–	–	9,339	9,339
	<u>–</u>	<u>–</u>	<u>46,472</u>	<u>46,472</u>

5. Other trading activities

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Other income from other trading activities type 1	36,510	36,510	–	–
Other income from other trading activities type 2	7,215	7,215	–	–
	<u>43,725</u>	<u>43,725</u>	<u>–</u>	<u>–</u>

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Activity type 1	<u>46,321</u>	<u>46,321</u>	<u>46,173</u>	<u>46,173</u>

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

7. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2024 £	Total fund 2023 £
Activity type 1	46,321	46,321	46,173

8. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024 £	2023 £
Wages and salaries	12,315	17,064

The average head count of employees during the year was Nil (2023: Nil).

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

9. Trustee remuneration and expenses

- no remuneration or other benefits from employment with the charity or a related entity were received by the trustees; or

10. Tangible fixed assets

	User defined asset £
Cost	
At 1 January 2024	–
Additions	443
At 31 December 2024	443
Depreciation	
At 1 January 2024 and 31 December 2024	–
Carrying amount	
At 31 December 2024	443
At 31 December 2023	–

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

11. Analysis of charitable funds

Unrestricted funds

	At 1 January 2024	Income £	Expenditure £	At 31 December 2024 £
General funds	<u>15,395</u>	<u>43,725</u>	<u>(46,321)</u>	<u>12,799</u>

	At 1 January 2023	Income £	Expenditure £	At 31 December 2023 £
General funds	<u>9,074</u>	<u>46,472</u>	<u>(46,173)</u>	<u>9,373</u>

12. Analysis of changes in net debt

	At 1 Jan 2024 £	Cash flows £	At 31 Dec 2024 £
Cash at bank and in hand	<u>9,373</u>	<u>2,983</u>	<u>12,356</u>

AR-RAYYAN FOUNDATION

England & Wales - Charity number 1181578

Accounts

CHARITY REGISTRATION NUMBER: 1181578

AR-RAYYAN FOUNDATION

Unaudited Financial Statements

31 December 2023

FRED MICHAEL & CO

Chartered accountants

216 High Road

Chadwell Heath

Romford

Essex

UK

RM6 6LS

AR-RAYYAN FOUNDATION

Financial Statements

Year ended 31 December 2023

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	5
Statement of financial activities	6
Statement of financial position	7
Statement of cash flows	8
Notes to the financial statements	9

AR-RAYYAN FOUNDATION

Trustees' Annual Report

Year ended 31 December 2023

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2023.

Reference and administrative details

Registered charity name AR-RAYYAN FOUNDATION
Charity registration number 1181578
Principal office 153 CHIINGFORD LANE
LONDON
IG3 9QR
ESSEX

The trustees

Ms FATIMA OMAR HABIB
Mr GHARIB KHAMIS MAALIM
Mr MASOUD MOHAMMED ALLY
Mr SAID MKUBWA NASSOR
Ms SABRINA NASSIR
MOHAMMED
MS KHADIJA OMAR HABIB
Mr SULEIMAN MSELEM
MBARAK

Independent examiner Fred Michael & Co 216 High Road, Chadwell Heath Essex RM6 6LS

Structure, governance and management

Trustees meet regularly to oversee operations and ensure compliance with legal and financial responsibilities. All trustees volunteer their time and do not receive remuneration for their services.

The charity has 2 members of paid staff and a number of dedicated volunteers who support its activities. All staff are DBS-checked and trained in the safeguarding of children to ensure a safe environment for all students.

AR-RAYYAN FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Objectives and activities

The AR-RAYYAN FOUNDATION aims to:

- " Relieve financial hardship, particularly for the poor, widows, and orphans.
- " Advance education, particularly Islamic and Quranic studies.
- " Provide youth and community support services.

In 2023, we focused on:

- " Islamic education: Offering Quranic and other essential Islamic studies.
- " Community services: Supporting vulnerable groups through grants and educational programs.
- " Online learning: Providing global access to Islamic studies through our virtual classroom platform.

Achievements and performance

Throughout 2023, AR-RAYYAN FOUNDATION served its community by expanding its educational reach, both locally and internationally. We successfully delivered:

- " Weekend supplementary classes at First Floor, 691 Green Lane, Dagenham, RM8 1UU
- " Online Quranic lessons that reached students globally.
- " Financial aid to disadvantaged families, in line with our charitable objectives.

Our focus remained on building a safe, welcoming environment where students can grow both spiritually and academically.

AR-RAYYAN FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

Financial review

For the year ending 31 December 2023:

Total Income:	£46,472
Total Expenditure:	£46,173

This resulted in a small surplus of £299.00, due to increased community support and operational costs.

Main Sources of Income:

Fundraising initiatives run by the charity

Voluntary contributions from parents of children attending our educational establishment

DYLOGICS LIMITED

AUTO TRADE VALLEY

VARDALIA S A

These donations have been vital in maintaining and expanding our charitable activities.

Reserves Policy:

We maintain a small reserve to ensure the sustainability of our operations and to meet unexpected costs.

Plans for future periods

AR-RAYYAN FOUNDATION aspires to continue growing, both in the number of students it serves and the scope of its charitable activities. We plan to:

- " Expand educational initiatives, both in-person and online.
- " Increase fundraising efforts to ensure long-term sustainability.
- " Continue supporting vulnerable individuals through financial aid and community services.

Our commitment remains to foster spiritual and educational growth, rooted in the values of Islam, for the benefit of the wider community.

AR-RAYYAN FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 December 2023

The trustees' annual report was approved on 10/10/2024 and signed on behalf of the board of trustees by:

Ms FATIMA OMAR HABIB
Trustee

Mr MASOUD MOHAMMED ALLY
Trustee

Mr SULEIMAN MSELEM MBARAK
Trustee



AR-RAYYAN FOUNDATION

Independent Examiner's Report to the Trustees of AR-RAYYAN FOUNDATION

Year ended 31 December 2023

I report to the trustees on my examination of the financial statements of AR-RAYYAN FOUNDATION ('the charity') for the year ended 31 December 2023.

Responsibilities and basis of report

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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 in order to enable a proper understanding of the accounts to be reached.

Fred Michael & Co
216 High Road, chadwell Heath
Essex RM6 6LS
Independent Examiner

If not populated, the accountant's address will be used.

AR-RAYYAN FOUNDATION

Statement of Financial Activities

Year ended 31 December 2023

		2023		2022
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	46,472	46,472	36,712
Total income		<u>46,472</u>	<u>46,472</u>	<u>36,712</u>
Expenditure				
Expenditure on charitable activities	5,6	46,173	46,173	28,562
Total expenditure		<u>46,173</u>	<u>46,173</u>	<u>28,562</u>
Net income and net movement in funds		<u>299</u>	<u>299</u>	<u>8,150</u>
Reconciliation of funds				
Total funds brought forward		9,074	9,074	924
Total funds carried forward		<u>9,373</u>	<u>9,373</u>	<u>9,074</u>

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 9 to 12 form part of these financial statements.

AR-RAYYAN FOUNDATION

Statement of Financial Position

31 December 2023

	Note	2023 £	2022 £
Current assets			
Cash at bank and in hand		9,373	9,074
Net current assets		<u>9,373</u>	<u>9,074</u>
Total assets less current liabilities		<u>9,373</u>	<u>9,074</u>
Funds of the charity			
Unrestricted funds		9,373	9,074
Total charity funds	9	<u>9,373</u>	<u>9,074</u>

These financial statements were approved by the board of trustees and authorised for issue on 31 December 2021, and are signed on behalf of the board by:

Mr GHARIB KHAMIS MAALIM
Trustee

The notes on pages 9 to 12 form part of these financial statements.

AR-RAYYAN FOUNDATION

Statement of Cash Flows

Year ended 31 December 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net income	299	8,150
Cash generated from operations	<u>299</u>	<u>8,150</u>
Net cash from operating activities	<u>299</u>	<u>8,150</u>
Net increase in cash and cash equivalents	299	8,150
Cash and cash equivalents at beginning of year	<u>9,074</u>	<u>924</u>
Cash and cash equivalents at end of year	<u>9,373</u>	<u>9,074</u>

The notes on pages 9 to 12 form part of these financial statements.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements

Year ended 31 December 2023

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 153 Chingford lane, London, IG3 9QR, Essex.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

All estimates are made to the best available information. The trustees always sets targets and estimates based on the policies at the time.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Donations				
Donations	37,133	37,133	36,712	36,712
Donations type 2	9,339	9,339	–	–
	<u>46,472</u>	<u>46,472</u>	<u>36,712</u>	<u>36,712</u>

5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Activity type 1	<u>46,173</u>	<u>46,173</u>	<u>28,562</u>	<u>28,562</u>

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

6. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2023 £	Total fund 2022 £
Activity type 1	46,173	46,173	28,562

7. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2023 £	2022 £
Wages and salaries	17,064	8,893

The average head count of employees during the year was Nil (2022: Nil).

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

8. Trustee remuneration and expenses

- no remuneration or other benefits from employment with the charity or a related entity were received by the trustees; or

9. Analysis of charitable funds

Unrestricted funds

	At 1 January 2023	Income	Expenditure	At 31 December 2023
	£	£	£	£
General funds	9,074	46,472	(46,173)	9,373

	At 1 January 2022	Income	Expenditure	At 31 December 2022
	£	£	£	£
General funds	924	36,712	(28,562)	9,074

10. Analysis of changes in net debt

	At 1 Jan 2023	Cash flows	At 31 Dec 2023
	£	£	£
Cash at bank and in hand	9,074	299	9,373

AR-RAYYAN FOUNDATION

England & Wales - Charity number 1181578

Accounts

AR-RAYYAN FOUNDATION
Unaudited Financial Statements
31 December 2022

FRED MICHAEL & CO

Chartered accountants
216 High Road
Chadwell Heath
Romford
Essex
UK
RM6 6LS

AR-RAYYAN FOUNDATION

Financial Statements

Year ended 31 December 2022

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	3
Statement of financial activities	4
Statement of financial position	5
Statement of cash flows	6
Notes to the financial statements	7

AR-RAYYAN FOUNDATION

Trustees' Annual Report

Year ended 31 December 2022

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2022.

Reference and administrative details

Registered charity name AR-RAYYAN FOUNDATION

Charity registration number 1181578

Principal office 153 CHIINGFORD LANE
LONDON
IG3 9QR
ESSEX

The trustees

Ms FATIMA OMAR HABIB
Mr GHARIB KHAMIS MAALIM
Mr MASOUD MOHAMMED ALLY
Mr SAID MKUBWA NASSOR
Ms SABRINA NASSIR
MOHAMMED
MS KHADIJA OMAR HABIB
Mr SULEIMAN MSELEM
MBARAK

Independent examiner Fred Michael & Co 216 High Road, chadwell Heath Essex RM6
6LS

Structure, governance and management

The charity is managed by trustees with a constitution. The governing document spells out the rules and guidelines to the trustees.

Objectives and activities

AR-RAYYAN FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 December 2022

Achievements and performance

- 1) AR-Rayyan Foundation has continued to run supplementary classes for 5-18 year olds in Dagenham over the weekends to help them improve themselves and their wellbeing.
- 2) The foundation helped to fund the medical treatment of 15 year old Nasir in India who had a cancerous neck tumour.
- 3) AR- Rayyan also helped to fund the eye surgery of 6 year old Hamdan in India.
- 4) In addition to the above AR Rayyan Foundation was involved in the construction of an education centre in Pemba, Zanzibar as well as well as donating food items to the poor in different villages in Tanzania.

Financial review

The charity set targets to be achieved in fundraising, donations and disbursement. All targets were met. Each each the trustees review the targets and share them with beneficiaries and donators.

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Ms FATIMA OMAR HABIB
Trustee

Mr MASOUD MOHAMMED ALLY
Trustee

Mr SULEIMAN MSELEM MBARAK
Trustee

AR-RAYYAN FOUNDATION

Independent Examiner's Report to the Trustees of AR-RAYYAN FOUNDATION

Year ended 31 December 2022

I report to the trustees on my examination of the financial statements of AR-RAYYAN FOUNDATION ('the charity') for the year ended 31 December 2022.

Responsibilities and basis of report

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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 in order to enable a proper understanding of the accounts to be reached.

Fred Michael & Co
216 High Road, Chadwell Heath
Essex RM6 6LS
Independent Examiner

If not populated, the accountant's address will be used.

AR-RAYYAN FOUNDATION

Statement of Financial Activities

Year ended 31 December 2022

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	36,712	36,712	42,888
Total income		<u>36,712</u>	<u>36,712</u>	<u>42,888</u>
Expenditure				
Expenditure on charitable activities	5,6	28,562	28,562	41,964
Total expenditure		<u>28,562</u>	<u>28,562</u>	<u>41,964</u>
Net income and net movement in funds		<u>8,150</u>	<u>8,150</u>	<u>924</u>
Reconciliation of funds				
Total funds brought forward		924	924	–
Total funds carried forward		<u>9,074</u>	<u>9,074</u>	<u>(6,006)</u>

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 11 form part of these financial statements.

AR-RAYYAN FOUNDATION

Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Current assets			
Cash at bank and in hand		9,074	924
Net current assets		<u>9,074</u>	<u>924</u>
Total assets less current liabilities		<u>9,074</u>	<u>924</u>
Funds of the charity			
Unrestricted funds		9,074	(6,006)
Total charity funds	9	<u>9,074</u>	<u>(6,006)</u>

These financial statements were approved by the board of trustees and authorised for issue on 31 December 2021, and are signed on behalf of the board by:

Mr GHARIB KHAMIS MAALIM
Trustee

The notes on pages 7 to 11 form part of these financial statements.

AR-RAYYAN FOUNDATION

Statement of Cash Flows

Year ended 31 December 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net income	8,150	924
<i>Adjustments for:</i>		
Accrued income	<u>—</u>	<u>(720)</u>
Cash generated from operations	<u>8,150</u>	<u>204</u>
Net cash from operating activities	<u>8,150</u>	<u>204</u>
Net increase in cash and cash equivalents	8,150	204
Cash and cash equivalents at beginning of year	<u>924</u>	<u>15,102</u>
Cash and cash equivalents at end of year	<u>9,074</u>	<u>15,306</u>

The notes on pages 7 to 11 form part of these financial statements.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements

Year ended 31 December 2022

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 153 Chingford lane, London, IG3 9QR, Essex.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

All estimates are made to the best available information. The trustees always sets targets and estimates based on the policies at the time.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donations	36,712	36,712	35,958	35,958
Grants				
Grants receivable type 1	—	—	—	6,930
	<u>36,712</u>	<u>36,712</u>	<u>35,958</u>	<u>42,888</u>

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Activity type 1	<u>28,562</u>	<u>28,562</u>	<u>41,964</u>	<u>41,964</u>

6. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2022 £	Total fund 2021 £
Activity type 1	<u>28,562</u>	<u>28,562</u>	<u>41,964</u>

7. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022 £	2021 £
Wages and salaries	8,893	18,785
Social security costs	—	59
	<u>8,893</u>	<u>18,844</u>

The average head count of employees during the year was Nil (2021: Nil).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

8. Trustee remuneration and expenses

- no remuneration or other benefits from employment with the charity or a related entity were received by the trustees; or

9. Analysis of charitable funds

Unrestricted funds

	At 1 January 2022	Income £	Expenditure £	At 31 December 2022 £
General funds	<u>924</u>	<u>36,712</u>	<u>(28,562)</u>	<u>9,074</u>

	At 1 January 2021	Income £	Expenditure £	At 31 December 2021 £
General funds	<u>—</u>	<u>35,958</u>	<u>(41,964)</u>	<u>(6,006)</u>

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

10. Analysis of changes in net debt

	At 1 Jan 2022	Cash flows	At 31 Dec 2022
	£	£	£
Cash at bank and in hand	<u>924</u>	<u>8,150</u>	<u>9,074</u>

AR-RAYYAN FOUNDATION

England & Wales - Charity number 1181578

Accounts

CHARITY REGISTRATION NUMBER: 1181578

AR-RAYYAN FOUNDATION
Unaudited Financial Statements
31 December 2021

FRED MICHAEL & CO

Chartered accountants
216 High Road
Chadwell Heath
Romford
Essex
UK
RM6 6LS

AR-RAYYAN FOUNDATION

Financial Statements

Year ended 31 December 2021

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	3
Statement of financial activities	4
Statement of financial position	5
Statement of cash flows	6
Notes to the financial statements	7

AR-RAYYAN FOUNDATION

Trustees' Annual Report

Year ended 31 December 2021

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2021.

Reference and administrative details

Registered charity name AR-RAYYAN FOUNDATION

Charity registration number 1181578

Principal office 153 CHIINGFORD LANE
LONDON
IG3 9QR
ESSEX

The trustees

Ms FATIMA OMAR HABIB
Mr GHARIB KHAMIS MAALIM
Mr MASOUD MOHAMMED ALLY
Mr SAID MKUBWA NASSOR
Ms SABRINA NASSIR MOHAMMED
Mr SULEIMAN MSELEM MBARAK
Ms KHADIJA OMAR HABIB

Independent examiner Fred Michael & Co 216 High Road, Chadwell Heath Essex RM6
6LS

Structure, governance and management

The charity is managed by trustees with a constitution. The governing document spells out the rules and guidelines to the trustees.

Objectives and activities

AR-RAYYAN FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Achievements and performance

- 1) AR-Rayyan Foundation has continued to run supplementary classes for 5-18 year olds in Dagenham over the weekends to help them catch up with their school work
- 2) The foundation helped to fund the medical treatment of 15 year old Nasir in India who had a cancerous neck tumour.
- 3) AR- Rayyan also helped to fund the eye surgery of 6 year old Hamdan in India.
- 4) In addition to the above AR Rayyan Foundation was involved in the construction of an education centre in Pemba, Zanzibar as well as well as donating food items to the poor in different villages in Tanzania.

Financial review

The charity set targets to be achieved in fundraising, donations and disbursement. All targets were met. Each each the trustees review the targets and share them with beneficiaries and donators.

The trustees' annual report was approved on 25/10/22 and signed on behalf of the board of trustees by:

Ms FATIMA OMAR HABIB
Trustee

Mr MASOUD MOHAMMED ALLY
Trustee

Mr SULEIMAN MSELEM MBARAK
Trustee



AR-RAYYAN FOUNDATION

Independent Examiner's Report to the Trustees of AR-RAYYAN FOUNDATION

Year ended 31 December 2021

I report to the trustees on my examination of the financial statements of AR-RAYYAN FOUNDATION ('the charity') for the year ended 31 December 2021.

Responsibilities and basis of report

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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 in order to enable a proper understanding of the accounts to be reached.



Fred Michael & Co
216 High Road, Chadwell Heath
Essex RM6 6LS
Independent Examiner

If not populated, the accountant's address will be used.

AR-RAYYAN FOUNDATION

Statement of Financial Activities

Year ended 31 December 2021

		2021		2020
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	<u>35,958</u>	<u>42,888</u>	<u>42,888</u>
Total income		<u>35,958</u>	<u>42,888</u>	<u>42,888</u>
Expenditure				
Expenditure on charitable activities	5,6	<u>41,964</u>	<u>41,964</u>	<u>34,347</u>
Total expenditure		<u>41,964</u>	<u>41,964</u>	<u>34,347</u>
Net income and net movement in funds		<u>(6,006)</u>	<u>924</u>	<u>8,541</u>
Reconciliation of funds				
Total funds brought forward		<u>—</u>	<u>—</u>	<u>5,841</u>
Total funds carried forward		<u>(6,006)</u>	<u>(6,006)</u>	<u>14,382</u>

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 11 form part of these financial statements.

AR-RAYYAN FOUNDATION

Statement of Financial Position

31 December 2021

	Note	2021 £	2020 £
Current assets			
Cash at bank and in hand		924	15,102
Creditors: amounts falling due within one year	9	<u>—</u>	<u>720</u>
Net current assets		<u>924</u>	<u>14,382</u>
Total assets less current liabilities		<u>924</u>	<u>14,382</u>
Net assets		<u>924</u>	<u>14,382</u>
Funds of the charity			
Unrestricted funds		(6,006)	14,382
Total charity funds	10	<u>(6,006)</u>	<u>14,382</u>

These financial statements were approved by the board of trustees and authorised for issue on 31 December 2021, and are signed on behalf of the board by:

Mr GHALIB KHAMIS MAALIM
Trustee

The notes on pages 7 to 11 form part of these financial statements.

AR-RAYYAN FOUNDATION

Statement of Cash Flows

Year ended 31 December 2021

	2021	2020
	£	£
Cash flows from operating activities		
Net income	924	8,541
<i>Adjustments for:</i>		
Accrued income	(720)	—
Cash generated from operations	<u>204</u>	<u>8,541</u>
Net cash from operating activities	<u>204</u>	<u>8,541</u>
Net increase in cash and cash equivalents	204	8,541
Cash and cash equivalents at beginning of year	<u>15,102</u>	<u>6,561</u>
Cash and cash equivalents at end of year	<u>15,306</u>	<u>15,102</u>

The notes on pages 7 to 11 form part of these financial statements.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 153 Chingford lane, London, IG3 9QR, Essex.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2020. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 12.

Judgements and key sources of estimation uncertainty

All estimates are made to the best available information. The trustees always sets targets and estimates based on the policies at the time.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations type 1	35,958	35,958	35,958	35,958
Grants				
Grants receivable type 1	—	6,930	6,930	6,930
	<u>35,958</u>	<u>42,888</u>	<u>42,888</u>	<u>42,888</u>

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

5. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Activity type 1	<u>41,964</u>	<u>41,964</u>	<u>34,347</u>	<u>34,347</u>

6. Expenditure on charitable activities by activity type

	Activities undertaken directly	Total funds 2021	Total fund 2020
	£	£	£
Activity type 1	<u>41,964</u>	<u>41,964</u>	<u>34,347</u>

7. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	18,785	18,785
Social security costs	<u>59</u>	<u>-</u>
	<u>18,844</u>	<u>18,785</u>

The average head count of employees during the year was Nil (2020: 2). The average number of full-time equivalent employees during the year is analysed as follows:

	2021 No.	2020 No.
Number of staff - type 1	-	1
Number of staff - type 2	<u>-</u>	<u>1</u>
	<u>-</u>	<u>2</u>

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

8. Trustee remuneration and expenses

- no remuneration or other benefits from employment with the charity or a related entity were received by the trustees; or

9. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals and deferred income	<u>-</u>	<u>720</u>

AR-RAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

10. Analysis of charitable funds

Unrestricted funds

	At 1 January 2021	Income	Expenditure	At 31 December 2021
	£	£	£	£
General funds	<u>–</u>	<u>35,958</u>	<u>(41,964)</u>	<u>(6,006)</u>

	At 1 January 2020	Income	Expenditure	At 31 December 2020
	£	£	£	£
General funds	<u>5,841</u>	<u>42,888</u>	<u>(34,347)</u>	<u>14,382</u>

11. Analysis of changes in net debt

	At 1 Jan 2021	Cash flows	At 31 Dec 2021
	£	£	£
Cash at bank and in hand	<u>15,102</u>	<u>(14,178)</u>	<u>924</u>

12. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 January 2020.

No transitional adjustments were required in the retained funds or income or expenditure for the year.

AR-RAYYAN FOUNDATION

England & Wales - Charity number 1181578

Accounts

AR-RAAYAN FOUNDATION
Unaudited Financial Statements
31 December 2020

FRED MICHAEL & CO
Chartered accountants
216 High Road
Chadwell Heath
Romford
Essex
UK
RM6 6LS

AR-RAAYYAN FOUNDATION

Financial Statements

Year ended 31 December 2020

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	4
Statement of financial activities	5
Statement of financial position	6
Statement of cash flows	7
Notes to the financial statements	8

AR-RAAYYAN FOUNDATION

Trustees' Annual Report

Year ended 31 December 2020

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name AR-RAAYYAN FOUNDATION
Charity registration number 1181578
Principal office 153 CHINGFORD LANE
LONDON
IG3 9QR
ESSEX

The trustees

Ms FATIMA OMAR HABIB
Mr GHALIB KHAMIS MAALIM
Mr MASOUD MOHAMMED ALLY
Mr SAID MKUBWA NASSOR
Ms SABRINA NASSIR
MOHAMMED
Mr SULEMAN MISELEM
MBARAK

Independent examiner Fred Michael & Co 216 High Road, Chadwell Heath Essex RM6
6LS

Structure, governance and management

The charity is managed by trustees with a constitution. The governing document spells out the rules and guidelines to the trustees.

AR-RAAYAN FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

Objectives and activities

- 1.) Provide and assist those in need of support financially - One of the greatest ways to give charity is to get involved in the construction of a Mosque or other significant building, such as a school or hospital in the community.
- 2.) React to emergency appeals and support as much as we can financially
- 3.) Education and skills development - Teaching the importance of Islam to others and spreading the knowledge you have is a great way to educate those around you.
- 4.) Giving life essentials - Donating food and clean water is just one way to help, but donating to a cause that gives these communities a means of accessing clean water themselves and nurturing their crops is one of the greatest ways to help continually

Achievements and performance

The list below shows the appeals that were given to Ummah Welfare Trust after raising funds so that they can donate to those in need on our behalf. These were started in October last year 14 sponsored

- 1) Orphan Sponsorship
- 2) Widow support - Managed to achieve our target
- 3) Food voucher Scheme
- 4) Medical Surgery in India
- 5) Medical Surgery in Pakistan
- 6) Medical Dialysis treatment in Pakistan
- 7) New Muslim sponsorship
- 8) Gaza Hardship- Palestine
- 9) Umma children Academy in Palestine
- 10) Ummah centre for disabled in Palestine Ramadhan Iftar
- 11) Ramadhan Iftar General - managed to achieve our goal
- 12) Every Iftar Ramadhan General - managed to achieve our goal
- 13) Uighur Muslim Refugee Appeal
- 14) Aid gift per child

We also donated directly to those in need after raising funds. Listed below Below shows appeals directly done to the individuals needing help from Ar-Rayyan Foundation" Sponsored treatment in Tanzania - Done Directly Issa Omar - Managed to achieve our target" Donated an amputation done on a patient - leg was cut off - managed to achieve our target" Salama Jumma who had a Stroke - managed to achieve our target

* Donated on Orphan wedding appeal - managed to achieve our target

Financial review

The charity set targets to be achieved in fundraising, donations and disbursement. All targets were met. Each each the trustees review the targets and share them with beneficiaries and donators.

AR-RAAYYAN FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 December 2020

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Ms FATIMA OMAR HABIB
Trustee

Mr MASOUD MOHAMMED ALLY
Trustee

Mr SULEIMAN MSELEM MBARAK
Trustee



AR-RAAYYAN FOUNDATION

Independent Examiner's Report to the Trustees of AR-RAAYYAN FOUNDATION

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of AR-RAAYYAN FOUNDATION (the charity) for the year ended 31 December 2020.

Responsibilities and basis of report

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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 in order to enable a proper understanding of the accounts to be reached.

Fred Michael & Co
216 High Road, Chadwell Heath
Essex RM6 6LS
Independent Examiner

If not populated, the accountant's address will be used.

AR-RAAYAN FOUNDATION

Statement of Financial Activities

Year ended 31 December 2020

		2020		2019
	Note	Unrestricted funds £	Total funds £	Total funds £
Income and endowments				
Donations and legacies	4	<u>42,888</u>	<u>42,888</u>	<u>13,153</u>
Total income		<u>42,888</u>	<u>42,888</u>	<u>13,153</u>
Expenditure				
Expenditure on charitable activities	5,6	<u>34,347</u>	<u>34,347</u>	<u>7,312</u>
Total expenditure		<u>34,347</u>	<u>34,347</u>	<u>7,312</u>
Net income and net movement in funds		<u>8,541</u>	<u>8,541</u>	<u>5,841</u>
Reconciliation of funds				
Total funds brought forward		<u>5,841</u>	<u>5,841</u>	<u>-</u>
Total funds carried forward		<u>14,382</u>	<u>14,382</u>	<u>5,841</u>

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 8 to 12 form part of these financial statements.

AR-RAAYYAN FOUNDATION

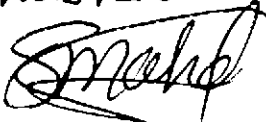
Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Current assets			
Cash at bank and in hand		15,102	6,561
Creditors: amounts falling due within one year	10	<u>720</u>	<u>720</u>
Net current assets		<u>14,382</u>	<u>5,841</u>
Total assets less current liabilities		<u>14,382</u>	<u>5,841</u>
Net assets		<u>14,382</u>	<u>5,841</u>
Funds of the charity			
Unrestricted funds		<u>14,382</u>	<u>5,841</u>
Total charity funds	11	<u>14,382</u>	<u>5,841</u>

These financial statements were approved by the board of trustees and authorised for issue on 31 December 2020, and are signed on behalf of the board by:

Mr GHALIB KHAMIS MAALIM
Trustee

MRS SABRINA NASSIR MOHAMMED
TRUSTEE


The notes on pages 8 to 12 form part of these financial statements.

AR-RAAYAN FOUNDATION

Statement of Cash Flows

Year ended 31 December 2020

	2020	2019
	£	£
Cash flows from operating activities		
Net income	8,541	5,841
<i>Adjustments for:</i>		
Accrued expenses	—	720
Cash generated from operations	<u>8,541</u>	<u>6,561</u>
Net cash from operating activities	<u>8,541</u>	<u>6,561</u>
Net increase in cash and cash equivalents	8,541	6,561
Cash and cash equivalents at beginning of year	<u>6,561</u>	—
Cash and cash equivalents at end of year	<u>15,102</u>	<u>6,561</u>

The notes on pages 8 to 12 form part of these financial statements.

AR-RAAYYAN FOUNDATION

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is 153 Chingford lane, London, IG3 9QR, Essex.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2019. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 13.

Judgements and key sources of estimation uncertainty

All estimates are made to the best available information. The trustees always sets targets and estimates based on the policies at the time.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

AR-RAAYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

AR-RAAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Donations and legacies

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Donations				
Donations type 1	35,958	35,958	13,153	13,153
Grants				
Grants receivable type 1	6,930	6,930	—	—
	<u>42,888</u>	<u>42,888</u>	<u>13,153</u>	<u>13,153</u>

AR-RAAYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Activity type 1	<u>34,347</u>	<u>34,347</u>	<u>7,312</u>	<u>7,312</u>

6. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Total funds 2020 £	Total fund 2019 £
Activity type 1	<u>34,347</u>	<u>34,347</u>	<u>7,312</u>

7. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>—</u>	<u>720</u>

8. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	<u>18,785</u>	<u>—</u>

The average head count of employees during the year was 2 (2019: Nil). The average number of full-time equivalent employees during the year is analysed as follows:

	2020 No.	2019 No.
Number of staff - type 1	1	—
Number of staff - type 2	1	—
	<u>2</u>	<u>—</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

9. Trustee remuneration and expenses

- no remuneration or other benefits from employment with the charity or a related entity were received by the trustees; or

10. Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	<u>720</u>	<u>720</u>

AR-RAAYYAN FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

11. Analysis of charitable funds

Unrestricted funds

	At 1 January 2020	Income	Expenditure	At 31 December 2020
	£	£	£	£
General funds	<u>5,841</u>	<u>42,888</u>	<u>(34,347)</u>	<u>14,382</u>

	At 1 January 2019	Income	Expenditure	At 31 December 2019
	£	£	£	£
General funds	<u>—</u>	<u>13,153</u>	<u>(7,312)</u>	<u>5,841</u>

12. Analysis of changes in net debt

	At 1 Jan 2020	Cash flows	At 31 Dec 2020
	£	£	£
Cash at bank and in hand	<u>6,561</u>	<u>8,541</u>	<u>15,102</u>

13. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 January 2019.

No transitional adjustments were required in the retained funds or income or expenditure for the year.