

DAWATUL ISLAM UK & EIRE LIMITED

**(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)
(A REGISTERED CHARITY)**

FINANCIAL STATEMENTS

30TH JUNE 2021

Registered Company Number: 02513409

Registered Charity Number: 1186155

**DUNGARWALLA & CO
CHARTERED CERTIFIED ACCOUNTANTS
7-15 GREATOREX STREET
LONDON E1 5NF**

DAWATUL ISLAM UK & EIRE LIMITED

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FINANCIAL STATEMENTS

FOR THE YEAR END 30TH JUNE 2021

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The following pages do not form part of the statutory accounts

Detailed statement of Income and Expenditure accounts	Appendix 1	(17)
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DAWATUL ISLAM UK&EIRE LIMITED

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COMPANY INFORMATION

FOR THE YEAR END 30TH JUNE 2021

INCORPORATED	In England on 19th June 1990		
COMPANY NUMBER	:02513409		
CHARITY NUMBER	:1186155		
DIRECTORS & TRUSTEES	<div><div><div>Mr. Hassan Muhammad Mueenuddin</div><div>Mr. Muhammad Abu Sayeed</div><div>Mr. Shabbir Ahmad Kawsar</div><div>Mr. Khalilur Rahman</div><div>Mr. Burhan Uddin</div><div>Mr. Faizul Islam</div><div>Mr. Muhammad Abdur Rahman</div><div>Mr. Arman Ali</div><div>Mr. Muhammad Marfath Ali</div><div>Mr. M. Abdul Mukit</div><div>Mr. Abul Kalam Moudood Hasan</div><div>Mr. Zoinul Abedin</div><div>Mr. Nur Baksh</div><div>Mr. Abul Bayan Muhammad Hasan</div><div>Dr. Md. Abul Kalam Azad</div><div>Ms. Mafruha Khatoon</div><div>Ms. Farida Haque.</div></div><div><div>President</div><div>Vice President</div><div>Secretary General</div><div>Treasurer</div></div></div>		
COMPANY SECRETARY	Mr. Shabbir Ahmad Kawsar		
REGISTERED OFFICE	Darul Ummah 56 Bigland Street London E1 2ND		
AUDITOR	Dungarwalla & co Chartered certified Accountants 7-15 Greatorex Street London E1 5NF		
BANKERS	Barclays Bank Plc 240 Whitechapel Rd London E1 1DU	HSBC Bank Plc 75 Whitechapel Rd London E1 1DU	Lloyds TSB 35 Whitechapel High St London EC3P 3HY
	<u>And also at</u> 114 Fenchurch St London E1 1BS	Al Rayan Bank 97 Whitechapel Rd E1 1DD	
	SOLICITORS Russel Cooke 8 Bedford Row London WC1R 4BX		

DAWATUL ISLAM UK & EIRE LIMITED

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 30TH JUNE 2021

The Board of Trustees (who are also the directors of the charitable company for the purposes of company law) are pleased to present their annual report together with the audited financial statements of the charity for the year ended 30th June 2021.

FINANCIAL REVIEW

In the year under review the accounts show a surplus of £324,602 whereas we had a surplus of £186,529 in 2020. The charity generated **12%** of its income from faith based and **88%** from non-faith based activities.

The financial statements have been prepared in accordance with the Statements of Recommended practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, and applicable UK Accounting Standards and the Charities Act 1993 and the Companies Act 2006.

RESERVES POLICY

The Trustees have reviewed the reserves of the charity. Their policy is to hold enough funds to meet four months of the expenditure. The reserves are needed to meet the working capital requirements of the charity and the Trustees are confident that at this level they would be able to continue the current activities of the charity.

GOVERNANCE, STRUCTURE AND MANAGEMENT GOVERNING DOCUMENTS

Dawatul Islam UK & Eire Limited is constituted as a charitable trust registered with the Charity Commission under Charity Number **1186155** and also registered as a company limited by guarantee and not having share capital under company number **02513409** in 1990. It is governed by a constitution of the charity and the Memorandum and Articles of Association of the company. Legal and administrative information set out on Page 1 forms part of this report.

ORGANISATION AND MANAGEMENT STRUCTURE

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The President, elected by the Membership for a two-year term, and is responsible to the Executive Council. All policy decisions are made by the President with the full consultation and approval of the Executive Council.

The Executive Council members are elected by the Members, which is the policy making body of Dawatul Islam, the President and The Executive Council is accountable to this body.

The Administrative Committee members are the key office bearers with the various portfolios and some are co-opted by the President as per the constitution. The Admin Committee is responsible for executing and implementing all decisions and policies of the Executive Council, the General Assembly and the charity as a whole as well as the efficient running of the charity.

The General Assembly, formed by the Members is the highest body of the charity, having ultimate decision making powers. They elect the President and the Executive Council; make constitutional amendments, approves the Annual Report, Accounts and Budget for the forthcoming year.

AIMS AND OBJECTIVES

The aims and objectives of Dawatul Islam UK & Eire are to live in accordance with the teachings of Islam and to promote the peaceful and unblemished message of Islam in all spheres of life, including the advancement of education, the alleviation of poverty, the promotion of better health, and improvement in human welfare.

Each year, our Trustees review the objectives and activities of the charity to ensure these continue to reflect our aims. In carrying out this review the Trustees consider the Charity Commission's general guidance on public benefit, and in particular, its supplementary public guidance on the advancement of religion for the public benefit.

REVIEW OF ACTIVITIES AND ACHIEVEMENTS

Activities of the charity were delivered in line with the annual Delivery Plan set by the Trustees and approved by the Membership. Planned activities were implemented by the charity's volunteers supported by onsite staff. Certain activities remain outstanding and will be carried forward and delivered as part of the works and activities in 2021/2022, on approval by the Membership.

The charity is dependent on hundreds of men, women and young people who offer their time voluntarily, supported by our onsite staff to deliver a wide portfolio of projects, events, activities and educational programmes throughout the year.

The charity manages a successful full-time secondary independent boys school, three mosques and community facilities in various cities and towns in the Country. The Trustees provide significant time and expertise in the management and oversight of these institutions, projects and activities.

An administrative committee, several sub-committees and working committees oversee the day to day running of activities, and most Trustees serve on these committees. The main function of the committees are to oversee and implement decisions made by the Board of Trustees.

In this reporting year almost all of the activities were held online due to the restrictions and lockdowns for Covid -19. The General Assembly of the charity met online 3 times during the year. The Board of Trustees met 7 times, and the Administrative Committee had 10 meetings during the year. Trustees kept in contact with units, towns and cities virtually throughout the country, to monitor and develop the charity's work further.

PARTNERSHIP WORK WITH OTHER AGENCIES AND ORGANISATIONS

The charity is required to work with other like-minded organisations in meeting its aims and objectives.

The charity continues to liaise and work closely with respective Local Government Authorities of its Branches, and also the Central Government, in particular, The Home Office. The charity continues to build a reputation as a credible, trusted partner to work within local communities and the voluntary sector.

The charity continues to work with the Metropolitan Police in reducing crime, work in partnership with TELCO & Citizens UK in promoting localism and active citizenship, The Tower Hamlets Inter-Faith Network to cooperate with and support Multi-Faith understanding and dialogue, and also serve on local decision making bodies such as ward panels to discuss and strengthen statutory services. The Charity continues to work closely with Local Authorities to raise levels of expertise in community organising. In London the Charity teamed up with London Borough of Tower Hamlets and ran a foodbank during the lockdown with volunteers distributing food door to door following Covid guidelines.

In addition, the charity continues to work with multi-national charities such as Muslim Aid, Islamic Relief (members of the DEC), and Human Relief Foundation to help alleviate poverty of those in most need, and invests through fundraising, in sustainable rehabilitation projects around the world. Further partnership work is planned and also currently being developed.

CARE HOUSE, BIGLAND STREET E1

Care House is a 2,953 square feet facility purchased by the charity to support the aspirations of Trustees' longer-term strategy of developing a cluster of facilities that will meet the needs of all local communities, irrespective of age, faith or background. It was purchased by the charity in September 2012 partly through repayable loans taken from members of the local community. It is situated on the northern side of Bigland Street at the junction with Burwell Close, a short walk from Watney Street, and the Shadwell Underground and Docklands Light Railway Station which is within 500 meters. Care House continues to alleviate the need for additional space which has been necessary for expanding services provided by the charity. This also provides service to other community organisations with very reasonable and affordable hiring charges. The foodbank was based in the Care House a facility much appreciated by the local community.

JAMIATUL UMMAH BOYS SECONDARY SCHOOL

Jamiatul Ummah is a highly successful independent boys' school, combining National Curriculum and Islamic education. It has 165 students aged between 11 and 16. Established in 1996 by the charity, Jamiatul Ummah is based in the Darul Ummah Community Centre. Jamiatul Ummah has again secured first place in the performance tables for The London Borough of Tower Hamlets for 2020. The school continues to improve as an institution in the delivery of integrated national curriculum and Islamic education in the European, and importantly, British context. The school highly values the teaching of PHSE and Citizenship as subjects taught, and has SMSC embedded throughout its curriculum. Again, for the academic year 2021/22 the school received more applications than places available for student admissions, demonstrating keen interest on part of parents wanting their children to attend. During this reporting period in majority of time, classes were held online due to restriction and lockdown.

DARUL UMMAH SATURDAY SCHOOL

There are approximately 145 children attending this project to learn Arabic Language and Islamic Studies from 10.00 AM to 2.00 PM. The project continues to deliver an integrated curriculum with Citizenship and SMSC embedded in its teaching. This project is highly subscribed with many students on the waiting list seeking admission. The school was closed during lockdown.

UNWIND SUMMER SCHOOL

Due to lockdown and Covid restriction, Unwind in 2020 did not take place.

SPIRAL SUNDAY SCHOOL

81 children aged between 5 and 16 attend fun oriented learning sessions every Sunday throughout the year with 12 teachers and volunteers supporting it. This project is run entirely by young women of the charity's Girls' Section. The project still remains beneficiary funded, however, the charity is proactively trying to secure funding from other sources as the project has demonstrated increased demand from the community, not just from parents of young girls attending activities, but young women who wish to get involved in volunteering as well. Spiral remained closed throughout the lockdown.

DIYG WEEKEND YOUTH PROJECT

The DIYG Weekend Youth Project is an on-going project aimed at local children aged between 11 to 19 from BAME communities, in particular from Shadwell, Cannon Street, Wapping and the Stepney Green areas by supporting them in becoming active and contributing members of their respective communities. The project provides stimulating youth activities in a safe environment to socialise and learn from. The project focuses on educating young people in the importance of being in school, discusses issues around drugs and gang related violence that negatively impacts the lives of young people, their families and communities. Activities run at the project disseminate ideas through seminars and workshops, as well as mentoring schemes.

DARUL UMMAH EVENING MADRASAH

A highly successful and oversubscribed evening school providing faith based education to 160 children from the age of 5 to 16. The school delivers an innovative, fun and enjoyable curriculum highly regarded by parents and the community with children always on the waiting list seeking admission. During lockdown the school held classes online to ensure children remained in touch with their learning and get to virtually met with their peers.

THE SAFE CAMPAIGNE

A 3 Year Programme Funded by the Greater London Authority, the 'Safe Campaign' is the evolution of Da'watul Islam UK & Eire's 'Shaddywood' and 'Girls Talk' project model of youth engagement, with the inclusion of 'Community Organising'. The project has been funded by the Mayor's Young Londoners Fund and aims to help children and young people to fulfil their potential, particularly those at risk of getting caught up in crime, gangs and youth violence. The Safe Campaign engages, raises awareness and capacity-builds with 800 vulnerable young people, families and frontline professionals over three years to foster community resilience against gang violence with strategies for leading more positive lives. 60 certified Community Organising and sports leadership-trained Safe Mentors will further outreach, engage and support particularly hard-to-reach peers.

THE CATALYST LEADERSHIP PROGRAMME

A one year project funded by the Home Office (Focusing on Islamophobia). The project engages with 20 local women and men aged 16-25 in a Leadership Programme which explores roots of intolerance, race hate extremism and radicalisation through social action campaigns and story-telling to share and embed messages of tolerance, respect and understanding. The programme addresses the growing concern in race hate and intolerance in the absence of collective action. By bringing together participants from a diversity of cultural, socio-economic and faith backgrounds to explore one another's heritages, perspectives and contributions to wider civic and spiritual society, the programme equips a team of well-networked local *Catalyst* activists with tools to engage and help facilitate constructive debate and strategies to address intolerance and extremist views.

DARU UMMAH JAME MASJID

One of the largest Masjids in the London Borough of Tower Hamlets and has been serving the community for more than two decades. Normally operating in the prefab in the Darul Ummah complex but expanding to the main Darul Ummah building on Fridays and during festivities and special occasions. The Darul Ummah Jame Masjid can accommodate up to two thousand worshippers at a time and is renowned throughout London for its Imams for their mesmerising recitations at Taraweeh during Ramadan. During the lockdown the Masjid remained closed except for when lockdown was eased. After easing of the lockdown the congregations were held by following the government covid 19 guidelines strictly with our volunteers at hand ensuring the users of the Masjid were guided.

DI ULAMA COUNCIL:

The Charity is fortunate to have a significant number of Imams and scholars. They meet regularly and consult on important faith issues and provide religious guidance for the Muslim community.

DARUS SALAM MOSQUE AND ISLAMIC CENTRE

Darus Salam Mosque and Islamic Centre continues to undertake community activities, five times daily prayers facility, evening makthab, part time Hifz classes, etc.

BORDESLEY GREEN ISLAMIC CENTRE

A Community Centre and Mosque serving the local people of Bordesley Green and which offers the five daily prayers for all local Muslims. It is approximately two miles from the city centre. The Charity considered any opportunities to expand and overhaul services provided, and carried out consultations with Charity Members but not much improvement was possible during the current session.

THE DARUL UMMAH RE-DEVELOPMENT PROJECT

Following a marketing exercise overseen by RICS Surveyors, the Charity has entered into discussions with a developer to develop the Care House site (adjacent to the main Darul Ummah Building) in order to release funds for the redevelopment of the Darul Ummah Community Centre. Trustees continue to work to achieve the best returns possible from developments on both the Care House and Darul Ummah sites. The progress of the project has suffered a setback due to the lockdown and the post pandemic circumstances.

THE DARUL UMMAH GORESBROOK

The Charity purchased premises in the Dagenham area of London in May 2019 and known as Darul Ummah Goresbrook (House of the Community Goresbrook). This has been a major milestone for the Charity with overwhelming support and funding (interest free loans) from the local community. The Centre is now offering prayer facilities, and for local residents, weekend Islamic school for primary and secondary school age children, community gatherings, and various community supporting projects.

DARUL UMMAH REDBRIDGE

During the year, we purchased Darul Ummah Redbridge. All going well with planning, trustees aspire for a variety of community supporting activities to be delivered from the premises for local residents once the work is completed and the centre opens.

WELFARE FUND

In addition to partnering with, and supporting other established relief charities, the charity also continues to independently raise money from the community for victims of natural disasters. It does this through the collection of Zakat and Fitrah (alms) during the Islamic month of Ramadan and other faith occasions from members of the public, and also through organising various community events as and when necessary.

CAPACITY BUILDING OF MEMBERS, STAFF & VOLUNTEERS

Maintaining Covid guidelines the charity held numerous programmes for the capacity building and training of its members, staff and volunteers. They included workshops, residential, one day courses, seminars and symposiums. Particular attention was paid to training volunteers around Safeguarding of Children and also Fire and Health & Safety in the work place. Trustees are committed to, and keen on having in-job training for staff and all dedicated volunteers wherever possible. The Charity has a diverse group of Muslim Scholars who organised a good number of seminars and related events that benefitted the members of the community.

FUTURE STRATEGY AND RISK REVIEW

The charity plans to continue with activities in the forthcoming years to satisfactory funding arrangements. The Trustees have undertaken thorough review of the major risks to which the charity may be exposed and systems are in place, or arrangements are in hand, to mitigate the risks that have been identified. In particular, insurance cover is in place and finances of the charity are kept under constant review.

Significant external risks to funding have led to the development of an on-going strategic fund raising plan which will allow for the diversification of funding activities. These plans are periodically reviewed to ensure that they still meet the needs of the charity. Appropriate DBS checks are made on all those who work with children or other vulnerable groups within the charity.

AUDITORS

Dungarwalla & Co is appointed as an auditor of the charitable company during the year and has expressed his willingness to continue in that capacity.

This report was approved and signed on behalf of the Board of Trustees:



MD Abu Sayeed
President

Date: 25th March 2022

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STATEMENTS OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR END 30TH JUNE 2021

Company law requires the directors' to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting standards and applicable law). Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the surplus or deficit of the company for that period.

In preparing these financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the charities SORP
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statement comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Board of Trustees



MD Abu Sayeed
President

Date: 25th March 2022

DAWATUL ISLAM UK & EIRE LIMITED

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AUDITOR'S REPORT

FOR THE YEAR END 30TH JUNE 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES

We have audited the financial statements of DAWATUL ISLAM UK&EIRE LIMITED for the year ended 30 June 2021 set out on page 10-15 comprises statement of **Financial Activities**, the summary income and expenditure account, the balance sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective Responsibilities of trustees and auditor

As explained more fully in the Trustees' responsibilities Statement set out on page 3, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statement in accordance with the applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's Ethical Standards for Auditors.

Scope of the Audit of the financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirement of the Companies Act 2006 and the Charities Act 2011.

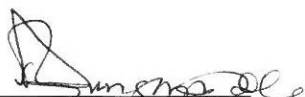
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report set out on page 4-7 for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for the audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.



R.F.Dungarwalla (Senior Statutory Auditor)

For and on behalf of:

Dungarwalla & co

Chartered Certified Accountants and Statutory Auditors

7-15 Greatorex Street
London E1 5NF

Date: 25.03.2022

DAWATUL ISLAM UK & EIRE LIMITED

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STATEMENT OF FINANCIAL ACTIVITIES

For the Year End 30th June 2021

	Note	Unrestricted	Restricted	Total funds	Total funds
	2	Funds	Funds	2021	2020
Income Resources					
Incoming resources from generated funds		£	£		
Voluntary Income:					
Members' Subscriptions		23145		23145	27,558
Donations		324472		324472	283,309
Friday Collections		45549		45549	42,087
Box collections		0		0	9,500
Project receipts			47968	47968	69,464
Activities for generating Funds:					
School Admission & tuition fee		632494		632494	609,288
Evening (Maktab) Supplementary class fee		77193		77193	128,993
Hall Hiring	3	1485		1485	8,380
Investment Income:					
Rental		95568		95568	94010
Incoming resources from Charitable Activities					
Other Income Resources		53148		53148	76284
Furlough		208219		208219	0
Total Incoming Resources		1,461,273	47968	1,509,241	1,348,873
Resources expended					
Cost of generating funds:					
Cost of generation voluntary income	4	24606		24606	19199
Fundraising trading: cost of goods sold and other costs					
Charitable Activities	5	1015372	47968	1063340	1047763
Governance cost	6	51494		51494	52140
Other Resources expended	7	45199		45199	43242
Total resources expended		1136671	47968	1184639	1162344
Net movement in Funds		324602	0	324602	186529
Prior year adjustment		0	0	0	-86608
		324602		324602	99,921
Total funds brought forward		1698699		1698699	1598778
Total Funds Carried Forward		2,023,301	0	2,023,301	1,698,699

There were no recognised gains or losses in 2020 or 2021.

All incoming resources and resources expended derive from continuing activities.

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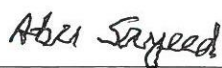
BALANCE SHEET

FOR THE YEAR END 30TH JUNE 2021

			Total funds		Prior Year
	<u>Note</u>	2021	<u>2021</u>	2020	<u>2020</u>
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	8		3,583,973		2,685,750
CURRENT ASSETS					
Debtors	9	100385		73,737	
Cash at bank and in hand		<u>525054</u>		<u>309,921</u>	
		<u>625439</u>		<u>383,658</u>	
CREDITORS: Amount falling due					
Within one year	10	<u>(335611)</u>		<u>(301,609)</u>	
NET CURRENT Assets/			<u>289828</u>		<u>82,049</u>
			3,873,801		2,767,799
CREDITORS: Amount falling due					
After more than a year	11		<u>(1850500)</u>		<u>(1,069,100)</u>
NET ASSETS			<u>2,023,301</u>		<u>1,698,699</u>
THE FUNDS OF THE CHARITY					
Restricted Funds			0		0
Unrestricted Funds			<u>2,023,301</u>		<u>1,698,699</u>
TOTAL CHARITY FUNDS			<u>2,023,301</u>		<u>1,698,699</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies with part 15 of the companies Act 2006.

Approved by the board on 25th March 2022


MD Abu Sayeed
President

Company Registration number 02513409

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDS 30TH JUNE 2021

1. Accounting Policy

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005) issued in March 2005, and applicable UK Accounting Standards and the Charities Act 2011 and the Companies Act 2006.

(b) Funds Structure

Unrestricted Income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives. Unrestricted funds include designated funds where the trustees, at their discretion, have set aside resources for a specific purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or the terms of a specific made by the charity at its fund-raising events.

(c) Resources Expended

Liabilities are recognized as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditures are accounted for on an accrual basis and have been classified under headings that aggregate all costs related to the category.

(d) Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

(e) Branch Activities

The activities (including incoming resources expended) of Jamiatul Ummah (School) and the accounts of the two branches situated at Birmingham and Manchester have fully been incorporated in the financial statements.

(f) Charitable Activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It is included both the direct pay and support costs relating to those activities.

(g) Allocation of Overhead and Support Costs

Support Costs include administrative office functions and have been allocated to activity cost categories on a basis consistent with the use of resources, allocating property costs on floor areas, staff costs by the time spent and other costs on a measure of usage.

(h) Tangible Fixed assets and depreciation

Relevant expenditure of capital nature has been included as fixed assets. Fixed assets are stated at cost less accumulated depreciation. The freehold properties are valued at historical cost and not depreciated, as the land and buildings have an indefinitely long useful life.

Depreciations on furniture, fixtures, fitting and equipment are charged at the following rates on the written down values:

Assets Category	Annual Rate
Furniture Fixture and Fittings	25%
Office equipment	25%

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2. Income Resources

All incoming resources are recognized once the charity has entitlement to the resources, and it is certain that the resources will be received and the monetary value of incoming resource can be measured with sufficient reliability. The following specific policies are applied to particular categories of income.

Voluntary income is received by way of donations, Friday collections, Box collections and Grants, and are included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

3. Income from Hall Hiring

The halls are being used for various programmes of Dawatul Islam, Maktab, Jamiatul Ummah (School), Mosque, and by the community for cultural and social functions. The halls can accommodate up to three hundred and fifty people.

4. Cost of Generating Voluntary Income

	£
Announcements, Advertisement , TV Funds Raising Events	1,482
Charitable donations	21,832
Sport goods, prizes & radios	1292
	24,606

5. Charitable Activities

Notes: Staff wages and salaries relate to staffs who have been engaged for teaching the students and also include salaries of the administrative staff dealing with day to day affairs of the charity.

	£
Staff pension costs	16,403
Staff Salaries and Wages	711,191
Social Security Costs	51,462
Consultant and Trainer Expenses	0
Books, Magazines and Examination Fee	2,200
Establishment (Premises) Expenses	204936
Telephone Charges	6632
Printing, Postage and Stationery	16964
Bank Charges	3740
Depreciation on Fixtures, Fittings and Equipments	1844
	<u>£1,015,372</u>

6. Governance Costs

	£
Audit Fees	1,500
Legal Fees and Accountancy	49,994
	<u>£51,494</u>

7. Other Resources Expended

	£
Travelling and Subsistence	297
Refreshment	0
Staff Training	8557
Miscellaneous Expenses	16467
Subscriptions	12850
Bad debts	7028
Total	<u>£45,199</u>

DAWATUL ISLAM UK&EIRE LIMITED

(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING SHARE CAPITAL)
(A REGISTERED CHARITY)

8. Fixed Assets- Tangible Assets: Analysis of Movement of Fixed Assets

2021

	Freehold	Freehold	Leasehold	Freehold	Total
	Land &	Investment	Land &	Care House	
	Buildings	Property	Buildings		
	£	£	£	£	£
As at 1st July 2020	1,561,080	144,602	114,725	857,967	2,678,374
Addition	900,067	0	0	0	9,000,67
				s	
Book value at					
30 th June 2021	2,461,147	144,602	114,725	857,967	3,578,441
Provision for Depreciation					
			Fixtures &	Office	Total
			Fittings	Equipments	
			£	£	£
As at 1 July 2020 & at 30 June 2021			139,172	178,168	317,340
Less: Depreciation					
As at 1 July 2020			134,539	175,425	309,964
Charge for the year			1158	686	1844
Net book value at 30th June 2021			3475	2057	5532

Total net book value	
At 30th June 2021	3,583,973
At 30th June 2020	2,685,750
Free Hold Land & Buildings	
• 56 Bigland Street London E1	660856
• 41 Slade Lane, Manchester	149202
• 45 Slade Lane, Manchester	115915
• 120/122 Bordesely Green Road, Birmingham	74107
• 36 Maplesstead Rd, Dagenham	561000
• Woodford Avenue, Gantshill, Ilford	900,067
Total	2,461,147
Freehold Investment Property	
• 52 Fieldgate Street, London E1	144,602
Freehold Care House	
• Care House Bigland Street London E1 2ND	857,967
Leasehold Land & Buildings	
• 47 Slade Lane, Manchester	114,725

DAWATUL ISLAM UK & EIRE LIMITED
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8. Additional Notes

(1) **All freehold land & buildings** including leasehold properties are used wholly for direct charitable purposes, with the exception of Property at 52 Fieldgate Street London E1 (which has been used for generating rental income).

(2) Property at **45 Slade Lane**, Manchester, has been acquired in May 1994 for a period of 999 years Lease from 25th March 1910. During this year, charity acquired the freehold title deeds of the whole land and buildings.

(3) Leasehold property at **47 Slade Lane**, Manchester was also acquired on 4th January 2002.

(4) Freehold property at **41 Slade Lane**, Manchester was acquired on the 23rd August 2013.

9. Debtors & Prepayments

	<u>2021</u>
	<u>£</u>
School tuition fees	78038
Other prepaid expenses and debtors	22347
	<u>100385</u>

10. Creditors and Accrued Expenses

	<u>2021</u>
	<u>£</u>
Falling due within one year	
School tuition fee received in advance	164179
Audit fee	1500
Other creditors and accruals	61932
KARZE HASANA (Interest Free Loan)	108000
	<u>335,611</u>

11. Creditors Falling due after more than one year

The charity borrowed £1,521,750 as Qarde Hasana (Interest Free Loan) for the purpose of purchasing a property named Care House in Bigland Street, London E1 at a cost of £857,969 which was completed 30 July 2012.

The outstanding loan amount currently on this is **£420,700** and another loan of **£27,700** from members remains outstanding.

Also the Goresbrook property known as 36 Maplestead Road, Dagenham was purchased (April 2019) for the sum of **£561,000** of which **£336,700** is outstanding. During this year, we borrowed £1,075,400 to purchase Darul Ummah Redbridge of which **£1,065,400** is outstanding, totalling loan of **£1,850,500**.

12. Contingent Liabilities

There were no contingent Liabilities at the year end.

13. Transaction with related parties

There were no transactions between related parties during the year.

14. Post Balance Sheet Events

There were no important events affecting the company which have occurred to date and which required disclosure.

15. Corporation Tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen in the charity.

DAWATUL ISLAM UK&EIRE LIMITED
STATEMENT OF INCOME AND EXPENDITURE ACCOUNT
(FOR THE YEAR END 30TH JUNE 2021)

		2021	2020
	£		
INCOME			
Members' Subscriptions		23,145	27,558
Donations & Gift Aid Collections		324,472	283,309
Friday collections		45,549	42,087
Box collections		0	9,500
School Admission and Tuition Fees		632,494	609,288
Evening (MAKTAB)Supplementary Classes Fees		77,193	128,993
Project receipts		47,968	69,464
Rental Income		97,053	102,390
Furlough		208,219	0
Other income and grants		53,148	76,284
TOTAL		1,509,241	1,348,873
EXPENDITURES			
MANAGEMENT AND ADMINISTRATION EXPENSES			
Staff Pension cost	16,403		18,242
Staff Salaries and Wages	711,191		713,914
Social security costs	51,462		58,932
Travelling, subsistence and entertainment	297		9,567
Staff recruitment and training cost	6,967		6,612
Conference and Training Courses	1,590		3,804
Consultants and Trainers' Fees	0		7,200
Project Cost	47,968		69,464
Total	835,878		887,735
FUND RAISING AND CHARITABLE ACTIVITIES			
Announcements, Advertisement and TV fund raising event	1,482		5,195
Charitable donation	21,832		10,880
Sports Goods, prizes and Radios	1,292		3,124
Books, Magazines and Examination Fees	2,200		4,923
Total	26,806		24,122
ESTABLISHMENT EXPENSES (PREMISES)			
General rates and water	16,365		23,085
Light and Heat	29,199		27,361
Insurance	26,744		20,653
Building Repairs and Maintenance	109,998		52,714
Cleaning	22,630		25,783
Total	204,936		149,596
GENERAL ADMININSTRATIVE EXPENSES			
Telephone Charges	6,632		5,292
Printing, Postage and Stationery	16,964		12,701
Sundry Expenses	16,467		12,941
Subscription	12,850		10,318
Total	52,913		41,252
Financial Expenses			
Bank Charges	3,740		5,041
Auditors' Remuneration	1,500		1,500
Legal and Accountancy Fees	49,994		50,640
Bad debts	7,028		0
Depreciation on Furniture, Fixtures and Fittings	1,844		2,458
TOTAL	64,106		59,639
Total Expenditure		1,184,639	1,162,344
EXCESS OF INCOME		324,602	186,529