

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 1st April 2022
for
AL-RAHMAH FAITH CENTRE

Silver Arc
Chartered Certified Accountants
1 Quality Court
Chancery Lane
London
WC2A 1HR

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FOR THE YEAR ENDED 1ST APRIL 2022**

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**Report of the Trustees
FOR THE YEAR ENDED 1ST APRIL 2022**

The trustees present their report with the financial statements of the charity for the Period ended 01 April 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and public benefit

The objectives of Al-Rahmah faith centre as set out in its Articles of Association are:

To advance the religion of Islam in the UK for the benefit of the public through the holding of prayer meetings, lectures, religious activities to enlighten others about the religion of Islam.

In pursuance of these objects, the charity hosts a range of activities for the benefit of the public.

Significant activities

The Charity has provided facilities to the general public at the centre in Leeds.

A wide range of activities are on offer for both Muslims and non-Muslims. We place strong emphasis on including everyone in the community and developing strong characteristics in our youth to treat everyone equal in society and not to discriminate against race, religion or sexual orientation.

We provide religious teachings to adults and children, developing Islamic Manners in accordance with the teachings of Prophet Muhammad (PBUH).

Since the pandemic, the charity has adapted the way it has delivered its services and activities. Government guidelines were strictly followed and social distancing measures were in place all times while on premises.

Religious Activities

1) Prayer

The masjid provides a centre for our prayers and worship and for the activities associated with our faith. During the week we have about 100 - 150 people who regularly attend daily and Friday Prayers.

2) Marriage Solemnisation

Family life is the building block of a successful society, and marriage is an occasion of great joy in the Muslim community. Al-Rahmah facilitates the solemnisation of an Islamic contract of marriage. The newly married couple is provided with an official "Nikah" certificate to show that they have been married according to Islamic law.

3) Religious Advice & Counselling

Muslims turn to masjid for guidance and advice in all matters of their day-to-day life. Al-Rahmah has trained imams to advice and counsel on the many concerns of the community such as bereavement, cultural challenges, generational issues and matrimonial problems

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

**Report of the Trustees
FOR THE YEAR ENDED 1ST APRIL 2022**

OBJECTIVES AND ACTIVITIES

Volunteers

The charity benefits from a team of dedicated and committed volunteers, who are skilled in many areas. They are key to the success of the charity in delivering public benefit to the community. They have contributed their time and efforts to drive the organisation forward to ensure that more people, particularly the youth, can benefit from the services and activities that the charity offer. The madrassa will be wholly managed and run by teachers, volunteers and helpers. The volunteers will also run all the recreational activities for the ladies and the youth, as well as maintaining the building to ensure a safe environment for everyone. All volunteers who will be working closely with children would be required to get DBS checked and trained for health and safety.

FINANCIAL REVIEW

Reserves policy

Charity has funds applied to the relevant purpose. An analysis of expenditure is shown in the Statement of Financial Activities on page 6.

The reserves currently stands at £293,590 and details are as follows:

Unrestricted funds £76,749

Restricted funds £216,841

FUTURE PLANS

Governance and Administration

The trustees will ensure that all the policies are in place, reviewed regularly and all volunteers are up to date with their training to ensure compliance with safeguarding children, health and safety and data protection. All volunteers who are working closely with children have been DBS checked and any new volunteers will undergo this check. A suitable insurance policy is in place.

Funding

The financial reserve of the charity is in a good position to provide more classes to benefit the Community. We will encourage users to set up standing orders and hold fundraising events.

Projects

The charity aims to grow and expand its services to more people at the Leeds centre as well develop other centres across the UK. We also plan to arrange regular visits to the countryside during all seasons to encourage families and youth to appreciate nature and experience an alternative to the busy urban lifestyle.

Our youth club volunteers will be developing their sports timetable with additional exercise/gym classes which will run mostly free of charge or at reduced rates.

Developing Relationships

We will continue to open our activities/services to both Muslims and non-Muslims. We will have open and interfaith days to challenge misconceptions about Islam and explain Muslim concepts. We will continue to think of new ways to draw in more users from the wider community.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a CIO

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

CE020274 (England and Wales)

Registered Charity number

1187331

AL-RAHMAH FAITH CENTRE

**Report of the Trustees
FOR THE YEAR ENDED 1ST APRIL 2022**

Registered office

Unit 6
Gemini Business park Sheepscar Way
Leeds
LS7 2BB

Trustees

A P Shan
M Iqbal
M Rashid (Chair)

Independent Examiner

Silver Arc
Chartered Certified Accountants
1 Quality Court
Chancery Lane
London
WC2A 1HR

Approved by order of the board of trustees on 21st August 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M Rashid', is written over a horizontal line.

M Rashid - Trustee

**Independent Examiner's Report to the Trustees of
Al-Rahmah Faith Centre**

Independent examiner's report to the trustees of Al-Rahmah Faith Centre ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 1st April 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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 matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

U. Zahoor

Usman Zahoor

Silver Arc
Chartered Certified Accountants
1 Quality Court
Chancery Lane
London
WC2A 1HR

21st August 2023

AL-RAHMAH FAITH CENTRE

**Statement of Financial Activities
FOR THE YEAR ENDED 1ST APRIL 2022**

				PERIOD 13.1.20 TO 1.4.21 Total funds £
	Notes	Unrestricted fund £	Restricted fund £	YEAR ENDED 1.4.22 Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	2	125,788	-	125,788
Charitable activities	3			
Mosque and community		4,520	112,557	117,077
Sadaka & Zakat		-	1,809	1,809
Total		130,308	114,366	244,674
EXPENDITURE ON				
Charitable activities	4			
Mosque and community		72,460	4,420	76,880
Sadaka & Zakat		1,290	2,330	3,620
Other		4,680	-	4,680
Total		78,430	6,750	85,180
NET INCOME		51,878	107,616	159,494
RECONCILIATION OF FUNDS				
Total funds brought forward		24,871	109,225	134,096
TOTAL FUNDS CARRIED FORWARD		76,749	216,841	293,590

The notes form part of these financial statements

AL-RAHMAH FAITH CENTRE

Balance Sheet 1ST APRIL 2022

	Notes	Unrestricted fund £	Restricted fund £	1/4/22 Total funds £	1/4/21 Total funds £
FIXED ASSETS					
Tangible assets	10	127,693	216,589	344,282	-
CURRENT ASSETS					
Cash at bank and in hand		3,623	252	3,875	136,404
CREDITORS					
Amounts falling due within one year	11	(54,567)	-	(54,567)	(2,308)
NET CURRENT ASSETS		<u>(50,944)</u>	<u>252</u>	<u>(50,692)</u>	<u>134,096</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>76,749</u>	<u>216,841</u>	<u>293,590</u>	<u>134,096</u>
NET ASSETS		<u>76,749</u>	<u>216,841</u>	<u>293,590</u>	<u>134,096</u>
FUNDS	12				
Unrestricted funds				76,749	24,871
Restricted funds				216,841	109,225
TOTAL FUNDS				<u>293,590</u>	<u>134,096</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 1st April 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 1st April 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

Balance Sheet - continued
1ST APRIL 2022

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 21st August 2023 and were signed on its behalf by:



M Rashid - Trustee



M Iqbal - Trustee

**Notes to the Financial Statements
FOR THE YEAR ENDED 1ST APRIL 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using either a straight line or reducing balance method, as indicated below.

Depreciation is provided on the following basis:

Buildings - 2% Straight Line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 1ST APRIL 2022

2. DONATIONS AND LEGACIES

	YEAR ENDED	PERIOD
	1.4.22	13.1.20
	£	TO
	1.4.21	£
Donations	125,788	26,456
Government grants	-	12,761
	125,788	39,217

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	YEAR ENDED	PERIOD
		1.4.22	13.1.20
		£	TO
		1.4.21	£
Madrassa Income	Mosque and community	1,560	-
Mosque project	Mosque and community	112,557	108,452
Fundraising events	Mosque and community	2,960	-
Zakat income	Sadaka & Zakat	150	50
Sadaka income	Sadaka & Zakat	1,659	723
		118,886	109,225

4. CHARITABLE ACTIVITIES COSTS

	Direct	Support	
	Costs	costs (see	Totals
	£	note 5)	£
	£	£	£
Mosque and community	18,184	58,696	76,880
Sadaka & Zakat	3,620	-	3,620
	21,804	58,696	80,500

5. SUPPORT COSTS

	Management	Human	Governance	
	£	resources	costs	Totals
	£	£	£	£
Mosque and community	15,632	42,624	440	58,696

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 1ST APRIL 2022

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	YEAR ENDED 1.4.22	PERIOD 13.1.20 TO 1.4.21
	£	£
Depreciation - owned assets	4,676	-

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 1st April 2022 nor for the period ended 1st April 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 1st April 2022 nor for the period ended 1st April 2021.

8. STAFF COSTS

The average monthly number of employees during the year was as follows:

	YEAR ENDED 1.4.22	PERIOD 13.1.20 TO 1.4.21
	3	2
Engaged on management and administration		

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

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	39,217	-	39,217
Charitable activities			
Mosque and community	-	108,452	108,452
Sadaka & Zakat	-	773	773
Total	39,217	109,225	148,442
EXPENDITURE ON			
Charitable activities			
Mosque and community	47,809	-	47,809
Other	1,135	-	1,135
Total	48,944	-	48,944

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 1ST APRIL 2022

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
NET INCOME/(EXPENDITURE)	(9,727)	109,225	99,498
RECONCILIATION OF FUNDS			
Total funds brought forward	34,598	-	34,598
TOTAL FUNDS CARRIED FORWARD	<u>24,871</u>	<u>109,225</u>	<u>134,096</u>

10. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
Additions	<u>348,958</u>
DEPRECIATION	
Charge for year	<u>4,676</u>
NET BOOK VALUE	
At 1st April 2022	<u>344,282</u>
At 1st April 2021	<u>-</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1/4/22 £	1/4/21 £
Social security and other taxes	5,117	258
Karze Hasna Loan	47,000	-
Accrued expenses	2,450	2,050
	<u>54,567</u>	<u>2,308</u>

12. MOVEMENT IN FUNDS

	At 2.4.21 £	Net movement in funds £	At 1.4.22 £
Unrestricted funds			
General fund	24,871	51,878	76,749
Restricted funds			
Restricted fund	109,225	107,616	216,841
TOTAL FUNDS	<u>134,096</u>	<u>159,494</u>	<u>293,590</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 1ST APRIL 2022

12. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	130,308	(78,430)	51,878
Restricted funds			
Restricted fund	114,366	(6,750)	107,616
TOTAL FUNDS	<u>244,674</u>	<u>(85,180)</u>	<u>159,494</u>

Comparatives for movement in funds

	At 13.1.20 £	Net movement in funds £	At 1.4.21 £
Unrestricted funds			
General fund	34,598	(9,727)	24,871
Restricted funds			
Restricted fund	-	109,225	109,225
TOTAL FUNDS	<u>34,598</u>	<u>99,498</u>	<u>134,096</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	39,217	(48,944)	(9,727)
Restricted funds			
Restricted fund	109,225	-	109,225
TOTAL FUNDS	<u>148,442</u>	<u>(48,944)</u>	<u>99,498</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 1ST APRIL 2022

13. RELATED PARTY DISCLOSURES

Mohammed Rashid (chair) also has a participating interest in LR Energy Plumbing and Heating Ltd. LR Energy Plumbing and Heating Ltd subleased the premises to Al-Rahmah Faith Centre, the rent charged is £21,164 per year which is considered to be at arm's length.

AL-RAHMAH FAITH CENTRE

Detailed Statement of Financial Activities FOR THE YEAR ENDED 1ST APRIL 2022

	YEAR ENDED 1.4.22 £	PERIOD 13.1.20 TO 1.4.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	125,788	26,456
Government grants	-	12,761
	<u>125,788</u>	<u>39,217</u>
Charitable activities		
Madrassa Income	1,560	-
Mosque project	112,557	108,452
Zakat income	150	50
Sadaka income	1,659	723
Fundraising events	2,960	-
	<u>118,886</u>	<u>109,225</u>
Total incoming resources	244,674	148,442
EXPENDITURE		
Charitable activities		
Advertising	4,558	12,353
Donation to other charities	3,620	-
Repairs and maintenance	8,950	-
Freehold property	4,676	-
	<u>21,804</u>	<u>12,353</u>
Other		
Donations to other charities	-	1,135
Children activities	4,680	-
	<u>4,680</u>	<u>1,135</u>
Support costs		
Management		
Light and heat	3,954	-
Postage and stationery	528	-
Rent	10,785	20,164
Books	365	580
	<u>15,632</u>	<u>20,744</u>
Human resources		
Wages	42,624	13,462

This page does not form part of the statutory financial statements

AL-RAHMAH FAITH CENTRE**Detailed Statement of Financial Activities
FOR THE YEAR ENDED 1ST APRIL 2022**

	YEAR ENDED 1.4.22 £	PERIOD 13.1.20 TO 1.4.21 £
Human resources		
Governance costs		
Legal fees	40	-
Independent examination fee	400	1,250
	<u>440</u>	<u>1,250</u>
Total resources expended	<u>85,180</u>	<u>48,944</u>
Net income	<u><u>159,494</u></u>	<u><u>99,498</u></u>

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