

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 1st April 2023
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 2023**

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**Report of the Trustees
FOR THE YEAR ENDED 1ST APRIL 2023**

The trustees present their report with the financial statements of the charity for the Period ended 01 April 2023. 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.

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 madrasa 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.

**Report of the Trustees
FOR THE YEAR ENDED 1ST APRIL 2023**

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 £290,704 and details are as follows:

Unrestricted funds £78,218

Restricted funds £212,486

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

Registered office

Unit 6
Gemini Business Park
Sheepscar Court
Leeds
LS7 3JB

Trustees

A P Shan
M Iqbal
M Rashid (Chair)

AL-RAHMAH FAITH CENTRE

**Report of the Trustees
FOR THE YEAR ENDED 1ST APRIL 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

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

Approved by order of the board of trustees on 11th July 2024 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'M Rashid', with a horizontal line extending to the left.

M Rashid (Chair) - 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 2023.

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

11th July 2024

AL-RAHMAH FAITH CENTRE

Statement of Financial Activities FOR THE YEAR ENDED 1ST APRIL 2023

		Unrestricted fund £	Restricted fund £	1/4/23 Total funds £	1/4/22 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	66,240	-	66,240	125,788
Charitable activities	3				
Mosque and community		2,829	15,671	18,500	117,077
Sadaka & Zakat		-	1,826	1,826	1,809
Total		69,069	17,497	86,566	244,674
EXPENDITURE ON					
Charitable activities	4				
Mosque and community		63,335	26,117	89,452	76,880
Sadaka & Zakat		-	-	-	3,620
Other		-	-	-	4,680
Total		63,335	26,117	89,452	85,180
NET INCOME/(EXPENDITURE)		5,734	(8,620)	(2,886)	159,494
Transfers between funds	12	(4,265)	4,265	-	-
Net movement in funds		1,469	(4,355)	(2,886)	159,494
RECONCILIATION OF FUNDS					
Total funds brought forward		76,749	216,841	293,590	134,096
TOTAL FUNDS CARRIED FORWARD		78,218	212,486	290,704	293,590

The notes form part of these financial statements

AL-RAHMAH FAITH CENTRE

Balance Sheet 1ST APRIL 2023

	Notes	Unrestricted fund £	Restricted fund £	1/4/23 Total funds £	1/4/22 Total funds £
FIXED ASSETS					
Tangible assets	10	127,437	212,169	339,606	344,282
CURRENT ASSETS					
Cash at bank and in hand		3,210	317	3,527	3,875
CREDITORS					
Amounts falling due within one year	11	(52,429)	-	(52,429)	(54,567)
NET CURRENT ASSETS		<u>(49,219)</u>	<u>317</u>	<u>(48,902)</u>	<u>(50,692)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>78,218</u>	<u>212,486</u>	<u>290,704</u>	<u>293,590</u>
NET ASSETS		<u><u>78,218</u></u>	<u><u>212,486</u></u>	<u><u>290,704</u></u>	<u><u>293,590</u></u>
FUNDS	12				
Unrestricted funds				78,218	76,749
Restricted funds				212,486	216,841
TOTAL FUNDS				<u><u>290,704</u></u>	<u><u>293,590</u></u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 1st April 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 1st April 2023 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.

The notes form part of these financial statements

Balance Sheet - continued
1ST APRIL 2023

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 11th July 2024 and were signed on its behalf by:



M Rashid (Chair) - Trustee



A P Shan - Trustee

**Notes to the Financial Statements
FOR THE YEAR ENDED 1ST APRIL 2023**

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 2023

2. DONATIONS AND LEGACIES

	1/4/23	1/4/22
	£	£
Donations	66,240	125,788

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	1/4/23	1/4/22
		£	£
Madrassa Income	Mosque and community	2,829	1,560
Mosque project	Mosque and community	10,487	112,557
Fundraising events	Mosque and community	5,184	2,960
Zakat income	Sadaka & Zakat	-	150
Sadaka income	Sadaka & Zakat	1,826	1,659
		20,326	118,886

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 5)	Totals
	£	£	£
Mosque and community	35,095	54,357	89,452

5. SUPPORT COSTS

	Management	Human resources	Governance costs	Totals
	£	£	£	£
Mosque and community	7,195	40,333	6,829	54,357

6. NET INCOME/(EXPENDITURE)

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

	1/4/23	1/4/22
	£	£
Depreciation - owned assets	4,676	4,676

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits paid for the period ended 01 April 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 1st April 2023 nor for the year ended 1st April 2022.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 1ST APRIL 2023

8. STAFF COSTS

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

	1/4/23	1/4/22
Engaged on management and administration	3	3

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	125,788	-	125,788
Charitable activities			
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			
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

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 1ST APRIL 2023

10. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 2nd April 2022 and 1st April 2023	<u>348,958</u>
DEPRECIATION	
At 2nd April 2022	4,676
Charge for year	<u>4,676</u>
At 1st April 2023	<u>9,352</u>
NET BOOK VALUE	
At 1st April 2023	<u><u>339,606</u></u>
At 1st April 2022	<u><u>344,282</u></u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1/4/23 £	1/4/22 £
Social security and other taxes	8,029	5,117
Karze Hasna Loan	42,000	47,000
Accrued expenses	<u>2,400</u>	<u>2,450</u>
	<u><u>52,429</u></u>	<u><u>54,567</u></u>

12. MOVEMENT IN FUNDS

	At 2.4.22 £	Net movement in funds £	Transfers between funds £	At 1.4.23 £
Unrestricted funds				
General fund	76,749	5,734	(4,265)	78,218
Restricted funds				
Restricted fund	216,841	(8,620)	4,265	212,486
TOTAL FUNDS	<u><u>293,590</u></u>	<u><u>(2,886)</u></u>	<u><u>-</u></u>	<u><u>290,704</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	69,069	(63,335)	5,734
Restricted funds			
Restricted fund	17,497	(26,117)	(8,620)
TOTAL FUNDS	<u><u>86,566</u></u>	<u><u>(89,452)</u></u>	<u><u>(2,886)</u></u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 1ST APRIL 2023

12. MOVEMENT IN FUNDS - continued

Comparatives for 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>

Comparative 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>

A current year 12 months and prior year 12 months combined position is as follows:

	At 2.4.21 £	Net movement in funds £	Transfers between funds £	At 1.4.23 £
Unrestricted funds				
General fund	24,871	57,612	(4,265)	78,218
Restricted funds				
Restricted fund	109,225	98,996	4,265	212,486
TOTAL FUNDS	<u>134,096</u>	<u>156,608</u>	<u>-</u>	<u>290,704</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 1ST APRIL 2023

12. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	199,377	(141,765)	57,612
Restricted funds			
Restricted fund	131,863	(32,867)	98,996
TOTAL FUNDS	<u>331,240</u>	<u>(174,632)</u>	<u>156,608</u>

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 1st April 2023.

AL-RAHMAH FAITH CENTRE**Detailed Statement of Financial Activities
FOR THE YEAR ENDED 1ST APRIL 2023**

	1/4/23 £	1/4/22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	66,240	125,788
Charitable activities		
Madrasa Income	2,829	1,560
Mosque project	10,487	112,557
Zakat income	-	150
Sadaka income	1,826	1,659
Fundraising events	5,184	2,960
	20,326	118,886
Total incoming resources		
	86,566	244,674
EXPENDITURE		
Charitable activities		
Advertising	6,044	4,558
Sundries	291	-
Donation to other charities	7,325	3,620
Repairs and maintenance	16,759	8,950
Freehold property	4,676	4,676
	35,095	21,804
Other		
Children activities	-	4,680
Support costs		
Management		
Light and heat	5,149	3,954
Telephone	500	-
Postage and stationery	472	528
Rent	-	10,785
Books	1,074	365
	7,195	15,632
Human resources		
Wages	40,333	42,624
Governance costs		
Rates and water	5,455	-
Legal fees	174	40
Independent examination fee	1,200	400
	6,829	440

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 2023**

	1/4/23	1/4/22
	£	£
Total resources expended	89,452	85,180
Net (expenditure)/income	(2,886)	159,494

This page does not form part of the statutory financial statements