

DARUL NOOR ISLAMIC CENTRE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 1 MARCH 2023

DARUL NOOR ISLAMIC CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr S Siddiqui
Mr Z Katib
Mr S M Siddiqui
Mr M Sabet

(Appointed 20 July 2022)

Charity number

1190170

Independent examiner

ZAM Mushtaq Ltd
Office 9
Dalton House
60 Windsor Avenue
London
SW19 2RR

DARUL NOOR ISLAMIC CENTRE

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DARUL NOOR ISLAMIC CENTRE

TRUSTEES' REPORT

FOR THE PERIOD ENDED 1 MARCH 2023

The trustees present their annual report and financial statements for the Period ended 1 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "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

THE OBJECT OF THE CIO IS: TO ADVANCE THE ISLAMIC FAITH, RELIGIOUS PRACTICES AND EDUCATION FOR THE PUBLIC BENEFIT IN BARNET. THE ESTABLISHMENT OF A COMMUNITY CENTRE OPEN TO ALL, TO PROVIDE SOCIAL AND SPIRITUAL SERVICES FOR THE COMMUNITY THAT IS NOT CURRENTLY BEING CATERED FOR IN THE AREA MAINLY BUT NOT EXCLUSIVELY INCLUDING SOCIAL SPACE AND PRAYER ROOM FACILITIES. THE PROMOTION OF RELIGIOUS HARMONY FOR THE BENEFIT OF THE PUBLIC BY PROMOTING KNOWLEDGE AND MUTUAL UNDERSTANDING AND RESPECT OF THE BELIEFS AND PRACTICES OF DIFFERENT RELIGIOUS FAITHS AND BACKGROUNDS.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

The charity hires a hall to provide prayer facilities for Friday prayers and Ramadan prayers.

Financial review

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the Period.

Structure, governance and management

The charity is a Charitable Incorporated Organisation.

The trustees who served during the Period and up to the date of signature of the financial statements were:

Mr S Siddiqui

Mr Z Katib

(Appointed 20 July 2022)

Mr S M Siddiqui

Mr M Sabet

Recruitment and appointment of trustees

Prior to their appointment, trustees attend an introductory session on the responsibilities and expectations of a trustee. They are made aware of the aims and objectives of the charity, policies and procedures as well as characteristics and behaviours expected of them when conducting their work at. New trustees receive a copy of the Constitution of the charity, the latest audited financial statements, access to Board minutes, the Charity Commission guidance 'The Essential Trustee' and recent publications.

DARUL NOOR ISLAMIC CENTRE

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 1 MARCH 2023

The trustees' report was approved by the Board of Trustees.

Mr S Siddiqui
Trustee

Mr M Sabet
Trustee

28 December 2023

DARUL NOOR ISLAMIC CENTRE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DARUL NOOR ISLAMIC CENTRE

I report to the trustees on my examination of the financial statements of Darul Noor Islamic Centre (the charity) for the Period ended 1 March 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 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 financial statements to be reached.

ZAM Mushtaq Ltd

Office 9
Dalton House
60 Windsor Avenue
London
SW19 2RR

Dated: 28 December 2023

DARUL NOOR ISLAMIC CENTRE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 1 MARCH 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Donations and legacies	3	39,492	7,034
Charitable activities	4	3,881	-
Net income and movement in funds		35,611	7,034
Reconciliation of funds:			
Fund balances at 2 March 2022		7,034	-
Fund balances at 1 March 2023		42,645	7,034

The statement of financial activities includes all gains and losses recognised in the Period. All income and expenditure derive from continuing activities.

DARUL NOOR ISLAMIC CENTRE

BALANCE SHEET

AS AT 1 MARCH 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	9	5,000		-	
Cash at bank and in hand		37,945		7,034	
		<u>42,945</u>		<u>7,034</u>	
Creditors: amounts falling due within one year	10	300		-	
		<u>300</u>		<u>-</u>	
Net current assets			42,645		7,034
			<u>42,645</u>		<u>7,034</u>
The funds of the charity					
Unrestricted funds			42,645		7,034
			<u>42,645</u>		<u>7,034</u>
			<u>42,645</u>		<u>7,034</u>

The financial statements were approved by the trustees on 28 December 2023

Mr S Siddiqui
Trustee

DARUL NOOR ISLAMIC CENTRE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 1 MARCH 2023

1 Accounting policies

Charity information

Darul Noor Islamic Centre is a Charitable Incorporated Organisation.

1.1 Reporting period

[FRS 102 3.10 An entity shall present a complete set of financial statements (including comparative information as set out in paragraph 3.14) at least annually. When the end of an entity's reporting period changes and the annual financial statements are presented for a period longer or shorter than one year, the entity shall disclose the following: (a) that fact; (b) the reason for using a longer or shorter period; and (c) the fact that comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.]

1.2 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.3 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

DARUL NOOR ISLAMIC CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 1 MARCH 2023

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

DARUL NOOR ISLAMIC CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 1 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	39,492	7,034

DARUL NOOR ISLAMIC CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 1 MARCH 2023

4 Expenditure on charitable activities

	Heading #ac982 2023 £
Direct costs	
Light and Heat	74
Hire Charges	2,580
Stationery and Printing	167
Temporary Teachers	260
	<u>3,081</u>
Share of support and governance costs (see note 5)	
Governance	800
	<u>3,881</u>
Analysis by fund	
Unrestricted funds	<u>3,881</u>

5 Support costs allocated to activities

	2023 £	2022 £
Governance costs	800	-
Analysed between:		
Heading #ac982	800	-
Governance costs comprise:		
	2023 £	2022 £
Independent Examiners fees	300	-
Legal and professional fees	500	-
	<u>800</u>	<u>-</u>

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the Period.

DARUL NOOR ISLAMIC CENTRE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 1 MARCH 2023

7 Employees

The average monthly number of employees during the Period was:

	2023 Number	2022 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

8 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

9 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	5,000	-

10 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	300	-

11 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 2 March 2022 £	Incoming resources £	Resources expended £	At 1 March 2023 £
General funds	7,034	39,492	(3,881)	42,645
Previous year:	At 2 March 2021 £	Incoming resources £	Resources expended £	At 1 March 2022 £
General funds	-	7,034	-	7,034

12 Related party transactions

There were no disclosable related party transactions during the Period (2022 - none).