

**Erdington Islamic Foundation**

**Trustees Report and Financial Statement for the year ended 31 March 2022**

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### **Trustees Report**

The trustees present their annual report and financial statements for the year ended 31 March 2022 and confirm they comply with the Charities Act as amended by the Charities Act 2006, the trust deed, and the Charities SORP (FRS102).

The attached financial statements form part of this report.

### **Reference and Administrative Information**

Charity Name: Erdington Islamic Foundation.

Charity Registration Number: 1195410

Address: 15 High Street, Erdington Birmingham, B23 6RG

### **Board of Trustees**

Mahmood Hussain

Zahid Hussain

Shazad Choudhry

Syed Quadri

Muhammed Kaiser Pandhair

### **Chief Executive Officer**

Mahmood Hussain

### **Secretary**

Zahid Hussain

### **Auditors**

Morgan Reach, Hagley Rd, Birmingham

### **Bankers**

HSBC Bank, Parade, Sutton Coldfield

## **Structure, Management & Governance**

Erdington Islamic Foundation is constituted as a Charitable Incorporated Organisation, registered with the Charity Commission on 05 August 2021 under charity number 1195410.

It is governed by a Deed of Trust last updated on 31 January 2022.

## **Organisational Structure**

The Trustees are responsible for the general control and management of the charity.

The Trustees give their time freely and receive no remuneration or any financial benefits.

The Trustees meet on a weekly basis where possible, and are responsible for the decisions taken in relation to the day to day running of the Foundation and the activities provided by the Foundation.

To enable the smooth running of the charity the Trustees divide management into 'sub-groups', which are set up for Finance, day to day management of the building and functions, who report back with their recommendations to the meeting of the Trustees.

The Chief Executive Officer chairs the meetings and responsibility is delegated where necessary to the other Trustees on the Board.

## **Recruitment and Appointment of Trustees**

Existing Trustees are responsible for the recruitment of new Trustees as and when required. Potential trustees are identified as those who regularly attend activities and functions and who are willing to volunteer their own time and help. Consideration is given to a person's eligibility, competence, and skills in the selection process.

Where necessary the Trustees will seek advice and opinions from responsible community members.

## **Induction of new Trustees**

Newly appointed Trustees are given a copy of the Trust Deed and are introduced into their role. Trustees are made aware of the scope of their responsibilities from the Foundations Aims and Activities and using guidance from the Charity Commission.

## **Use of Volunteers**

Volunteers are an important part of the Foundation's resources, and we encourage all of those involved in the Foundation to share their skills and knowledge with others.

Volunteers and the Trustees give their time freely without any remuneration.

## **Risk Management**

The Trustees address potential risks as they arise.

Recognised risks are discussed when the Trustees meet and the Trustees are satisfied that arrangements are in place to manage these risks and rectify where possible, for example financial review and holding adequate insurance.

External professional advice is sought when considered necessary.

### **Objectives and Vision**

The objects of the charity are set out in the charity's Trust Deed.

We review these objectives to ensure that they reflect our aims in the community under the umbrella of our faith.

Our Vision is to foster an outstanding community that inspires excellence in knowledge, personal development and awakens the spirit of service to others. A Community that contributes morally, spiritually, socially and economically to the wider society.

Our primary aim is to provide a faith-based community facility which will be of use and benefit to all the inhabitants of Erdington. We are in the early stages of development. The facility will provide a community centre, prayer facility, community welfare and education.

## **Challenges and Achievements**

### **Our First year**

Our biggest challenge has been the purchase of a disused public house, The Cross Keys, in the Erdington area of Birmingham which is the base from which the charity's objectives will be carried out.

The building was identified in June 2021 by the founding Trust members and formed the vision for the foundation. A non-refundable deposit was paid and a timescale was fixed for completion of the purchase. An appeal went out to the wider community.

The Foundation was overwhelmed at the level of support that was shown and funding was raised in the form of donations and non-interest bearing loans. Gearing for the purchase was approx. 60% in loan finance and 40% in donations.

The purchase was completed in December 2021 and this achievement served to boost confidence and support for the Foundation. The first phase of the Foundation's challenge is complete.

31 March 2022 a loan finance balance was outstanding as stated in the accounts.

The Trust reviews the timescale for reduction of this balance regularly and takes the opportunity to clear liabilities whenever possible.

This has been made possible with the support of members of the local and wider community.

### **Current Challenges**

It became obvious that the building had been allowed to fall into disrepair and one of the immediate challenges was to bring it into usable condition. These works included roof repairs, heating system repairs, complete cleaning of the building and various internal refurbishment works.

Teams were drawn up made up of Trustees and Volunteers with the appropriate skills and knowledge to bring. Willingness to participate has been superb.

Where necessary external professional services have been contracted and many works have already been carried out to make the building usable.

Due regard has been given to the local historic status of the building and original features in the building are being preserved.

### **Future Challenges**

An application for Change of Use is in process and the Trust is confident that the Foundation will be successful in making its vision a reality.

### **Connection with the Community**

The foundation is engaged with community members daily and a strong community spirit is being fostered.

Popular activities include the formation of a Cycling Club and Team, Trekking in the countryside and encouragement of appreciating local wild spaces such as Sutton Park, New Hall Valley and other local open spaces.

In house activities include table tennis, keep fit and personal learning activities. A focus is on physical, mental and spiritual wellbeing.

### **Financial Statements.**

Financial Statements for the period to 31 March 2022 are annexed and form part of this report.

### **Conclusion**

The Board is extremely pleased with the achievements made in its first reporting period.

The Trust looks forward to the coming years for the Foundation and is confident that its vision will come to fruition.

The Foundation thanks the community for its ongoing enthusiastic support.

Signed M Hussain Chairman

Signed Z Hussain Secretary

REGISTERED COMPANY NUMBER: (England and Wales)  
REGISTERED CHARITY NUMBER: 1195410

REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD 5 AUGUST 2021 TO 31 MARCH 2022

FOR

Erdington Islamic Foundation

Morgan Reach Chartered Certified Accountants  
Morgan Reach House  
136 Hagley Road  
Birmingham  
West Midlands  
B16 9NX

Erdington Islamic Foundation

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for the Period 5 August 2021 to 31 March 2022

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Erdington Islamic Foundation

REPORT OF THE TRUSTEES

for the Period 5 August 2021 to 31 March 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the period 5 August 2021 to 31 March 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).

**INCORPORATION**

The charitable company was incorporated on 5 August 2021.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

(England and Wales)

**Registered Charity number**

1195410

**Registered office**

15 High Street

Erdington

Birmingham

B23 6RG

**Trustees**

S M S Quadri Trustee

S Choudhry Trustee

M Hussain Chair

Z Hussain Trustee

M K H Pandhair (appointed 31.1.22)

Approved by order of the board of trustees on 18 December 2023 and signed on its behalf by:



Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF**  
**ERDINGTON ISLAMIC FOUNDATION**

**Independent examiner's report to the trustees of Erdington Islamic Foundation ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the period 5 August 2021 to 31 March 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').

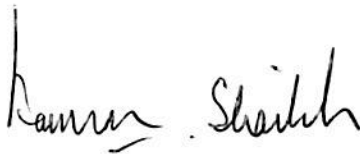
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). 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.



Dr Kamran Shaikh, Chartered Certified Accountants  
The Association of Chartered Certified Accountants

Morgan Reach Chartered Certified Accountants  
Morgan Reach House  
136 Hagley Road  
Birmingham  
West Midlands  
B16 9NX

Date: 18TH DECEMBER 2023

**ERDINGTON ISLAMIC FOUNDATION**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**for the Period 5 August 2021 to 31 March 2022**

	Notes	Unrestricted fund £
<b>INCOME AND ENDOWMENTS FROM</b>		
Donations and legacies		198,061
		<hr/>
<b>EXPENDITURE ON</b>		
Raising funds		15,147
		<hr/>
<b>NET INCOME</b>		182,914
		<hr/>
<b>TOTAL FUNDS CARRIED FORWARD</b>		182,914
		<hr/> <hr/>

The notes form part of these financial statements

**ERDINGTON ISLAMIC FOUNDATION**

**BALANCE SHEET**  
**31 March 2022**

	Notes	Unrestricted fund £
<b>FIXED ASSETS</b>		
Tangible assets	3	465,000
<b>CURRENT ASSETS</b>		
Cash at bank and in hand		23,214
<b>CREDITORS</b>		
Amounts falling due within one year	4	(208,300)
<b>NET CURRENT ASSETS</b>		<u>(185,086)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		279,914
<b>CREDITORS</b>		
Amounts falling due after more than one year	5	(97,000)
<b>NET ASSETS</b>		<u>182,914</u>
<b>FUNDS</b>	7	
Unrestricted funds		<u>182,914</u>
<b>TOTAL FUNDS</b>		<u>182,914</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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.

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 18 December 2023 and were signed on its behalf by:

Trustee

The notes form part of these financial statements

## **ERDINGTON ISLAMIC FOUNDATION**

### **NOTES TO THE FINANCIAL STATEMENTS** **for the Period 5 August 2021 to 31 March 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**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

##### **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.

#### **2. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the period ended 31 March 2022.

##### **Trustees' expenses**

There were no trustees' expenses paid for the period ended 31 March 2022.

**ERDINGTON ISLAMIC FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 5 August 2021 to 31 March 2022**

**3. TANGIBLE FIXED ASSETS**

	Freehold property £
<b>COST</b>	
Additions	465,000
<b>NET BOOK VALUE</b>	
At 31 March 2022	465,000

**4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

Other loans-within than 1 year	£ 208,300
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**5. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

Other loans (see note 6)	£ 97,000
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**6. LOANS**

An analysis of the maturity of loans is given below:

Amounts falling between one and two years:	£
Loans - more than 1 year	97,000

**7. MOVEMENT IN FUNDS**

	Net movement in funds £	At 31.3.22 £
<b>Unrestricted funds</b>		
General fund	182,914	182,914
<b>TOTAL FUNDS</b>	182,914	182,914

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	198,061	(15,147)	182,914
<b>TOTAL FUNDS</b>	198,061	(15,147)	182,914

**ERDINGTON ISLAMIC FOUNDATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 5 August 2021 to 31 March 2022**

**8. RELATED PARTY DISCLOSURES**

There were no related party transactions for the period ended 31 March 2022.

**ERDINGTON ISLAMIC FOUNDATION**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**for the Period 5 August 2021 to 31 March 2022**

£

**INCOME AND ENDOWMENTS**

**Donations and legacies**

Donations	198,061
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<b>Total incoming resources</b>	<b>198,061</b>
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**EXPENDITURE**

**Support costs**

**Management**

Insurance	910
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Light and heat	796
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Repair and renewals	11,668
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Legal & professional expense	1,687
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	<hr/> 15,061
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**Finance**

Bank charges	86
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<b>Total resources expended</b>	<b>15,147</b>
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<b>Net income</b>	<b>182,914</b>
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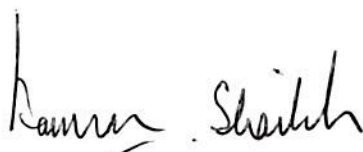
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