

Registered Charity Number: 1197913
Company number: CE028333

BABUL ILM FOUNDATION UK
(Charitable Incorporated Organisation)

Report and Financial Statements
For The Period Ended 31 January 2023

**BABUL ILM FOUNDATION UK
FOR THE PERIOD ENDED 31 JANUARY 2023
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COMPANY INFORMATION

Trustees

Mohamed Akbar Ali (Chairman)
Munawar Hassan
Syed Jaffri

Company number

CE028333

Registered charity number

1197913

Principal and registered office

19 Marl Field Close
Worcester Park
Surrey
KT4 7NZ

Accountants

Akber & Co
451 Moseley Road
Birmingham,
B12 9BX

Bankers

Barclays
2 Churchill Palace,
London,
E14 5HP

TRUSTEES' REPORT

Introduction

Babulilm Foundation UK was registered with the Charity Commission on 14 February 2022 as a Charitable Incorporated Organisation (CIO)

It was founded and at present managed by the three trustees, Mohamed Akbar Ali (Chairman), Dr Munawar Hassan (Vice Chairman) and Syed Ali Jaffri (Joint Secretary/Treasurer). The charity provides support in the fields of social relief, school and housing reconstruction. provision of clean water and basic necessities.

Objectives

The objects of the CIO are: a) the relief of financial hardship, either generally or individually, of people living in Pakistan, India, Iraq, and the uk, by making grants of money for providing or paying for items or services b) to advance education, primarily, but not exclusively for the benefit of the poor and those in need, by means of making grants of money to fund educational activities and facilities in Pakistan, India, Iraq, and the UK.

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with the applicable law and United Kingdom's accounting standards.

The law is applicable to charities in England and Wales and requires the charity trustees to prepare financial statements for each year, which gives a true and fair view of affairs of the charity and of incoming resources and application of resources of the charity for that period. In preparing financial statements, the trustees are required to:

1. Select Suitable Accounting Policies and apply them consistently.
2. Observe the methods and principles in the Charities Statement of Recommended Practice.
3. Make judgments and estimates that are reasonable and prudent.
4. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
5. Prepare the financial Statements on the going concern basis unless it's inappropriate to presume that the charity will continue in business

The trustees are responsible for keeping proper accounting records and disclose, with reasonable accuracy, the financial position of the charity and ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) regulations 2008 and the provisions of the Constitution.

TRUSTEES' REPORT (CONTINUED)

Risk Management

At Babulilm Foundation UK we are committed to operating responsibly and effectively, ensuring the prudent management of risks that may impact our mission, stakeholders, and operations. Our risk management approach is integral to our governance structure and is designed to identify, assess, and mitigate potential threats while maximizing opportunities.

We have established a robust risk management framework that aligns with best practices and regulatory requirements. This framework encompasses a systematic process for identifying, assessing, prioritizing, and managing risks across all facets of our charity's activities.

Throughout the reporting period, we have diligently assessed the various risks that could affect our organization. These include, but are not limited to, financial uncertainties, operational challenges, regulatory changes, and reputational concerns. Each risk has been evaluated based on its potential impact and likelihood, allowing us to focus our resources on addressing the most significant threats.

In response to identified risks, we have implemented targeted mitigation strategies. These strategies involve proactive measures to reduce the likelihood and impact of potential adverse events. We continuously monitor the effectiveness of these strategies and make adjustments as needed to adapt to evolving circumstances.

Our commitment to transparency is reflected in our ongoing monitoring and reporting practices. Regular assessments of risks are conducted, and our Board of Trustees is kept informed through comprehensive reports. This ensures that our stakeholders are aware of the risk landscape and the measures we are taking to manage it.

We are committed to upholding the highest standards of legal and regulatory compliance. Our risk management practices are designed to ensure that we operate within the bounds of applicable laws, regulations, and ethical principles, safeguarding the trust and confidence of our supporters and beneficiaries.

Looking ahead, we remain dedicated to continuous improvement in our risk management processes. Our future plans include refining our risk identification mechanisms, further engaging stakeholders in the risk management dialogue, and staying vigilant to emerging risks within the sector.

Babulilm Foundation UK takes a proactive and comprehensive approach to risk management. By fostering a culture of awareness and accountability, we strive to safeguard the interests of our stakeholders and fulfil our charitable objectives. We remain committed to transparency and open communication as we navigate the dynamic landscape in which we operate.

TRUSTEES' REPORT (CONTINUED)

Volunteer Engagement and Contribution

At Babulilm Foundation UK, our mission is underpinned by the invaluable contributions of our dedicated volunteers. Their unwavering commitment and selfless efforts play a pivotal role in the success of our charitable endeavors. In this annual report, we take the opportunity to celebrate and acknowledge the vital role that volunteers have played in advancing our cause.

Our volunteers are the heartbeat of our organization, embodying the spirit of community and altruism. Their passion for our mission fuels our initiatives and extends the reach of our impact.

Our volunteer community is a rich tapestry of individuals from diverse backgrounds, bringing a wide array of skills, experiences, and perspectives. From event coordination to fundraising, program support, and administrative tasks, our volunteers generously contribute their time and talents, collectively strengthening the fabric of our organization.

We extend our deepest gratitude to each and every volunteer who has generously given their time and talents. Our volunteers are not just supporters; they are integral members of the Babulilm Foundation UK family. We are immensely proud of their contributions and the positive impact they have on the lives of those we serve.

Our commitment to volunteerism goes beyond simple acknowledgment. We are dedicated to creating an enriching and supportive environment for our volunteers. This includes ongoing training opportunities, clear communication channels, and efforts to recognize and celebrate their achievements.

Babulilm Foundation UK recognizes and celebrates the extraordinary contributions of our volunteers. Their selfless dedication is an inspiration, and we look forward to continuing this journey together as we strive to create positive and lasting change in our community.

Finance Review

In the fiscal year ending 31st January 2023, Babulilm Foundation UK has continued its commitment to Helping the Forgotten. This financial review provides stakeholders with a comprehensive overview of our organization's dedication to responsible stewardship of resources.

Our diverse income streams were sourced from General Donations, Grants, Fundraising Events and using online fundraising platforms like mysadaqa and PayPal.

As this was Babulilm Foundation UK first year as a charity, we will be creating a reserves policy to ensure long-term sustainability of our organization which aligns with our strategic financial planning to mitigate unforeseen challenges and support future initiatives.

TRUSTEES' REPORT (CONTINUED)

We adhere to all regulatory requirements, and our governance structure remains robust. The Babulilm Foundation UK Trustees oversee financial matters with diligence, ensuring accountability and transparency.

The ongoing COVID-19 pandemic affected our operations in Pakistan and Iraq. Despite challenges, our team continued to work tirelessly and passionately to adapt and ensure continued service delivery.

Our financial statements, independently verified by Akber and Co Accountants Ltd. are available for review in the accompanying Annual Report. The accountant's report attests to the fairness and accuracy of these financial statements.

We express our gratitude to our supporters, partners, and stakeholders for their unwavering commitment to Babulilm Foundation UK. Your trust empowers us to make a meaningful impact. We plan to continue the flood relief efforts in Pakistan by getting water hand pumps installed, supply of food parcels, rebuilding more house. Also installing water dispensers in the city of Karbala Iraq in public spaces. Any fund received for Babulilm School in Najaf will be used towards building extension to so school premises. We are also considering request to raise funds to supply toys for disabled children in the UK

Babulilm School Najaf

Babulilm School in Najaf, Iraq, was our first project. We constructed a Ground plus three upper floors school building measuring 2000 Square meters, and furnished as necessary for needy children who were being educated in temporary locations for a number of years. The fully functional school now has state-of-the-art facilities to offer classes from kindergarten to pre-university levels. School is now managed by local team who were very thankful to Babulilm Foundation UK for their contribution towards building, furniture, science and technology labs.

The completed building was handed over to local management on 20th October 2022.

Final payments to the contractor were made on 11th March 2023. Thereafter more works carried out as building a canteen, a guards room and a store room etc, and we paid that too.

Housing Rebuilding

The devastating floods of June 2022 destroyed communities all over Pakistan. Thousands lost their live, countless were injured, most of the livestock drowned and the livelihood structure of families (mostly poor farm labourers) was totally paralysed. A good proportion of the country was under water for months. Babulilm Foundation UK's work is concentrated in the Sindh region of Pakistan which fared the worst of the floods with almost 40% of the land mass under water. The mud huts were simply washed away leaving the people to find shelter under trees – few

BABUL ILM FOUNDATION UK
FOR THE PERIOD ENDED 31 JANUARY 2023
TRUSTEES' REPORT (CONTINUED)

TRUSTEES' REPORT (CONTINUED)

lucky ones were given tents. Babulilm Foundation UK was the first charity to undertake a major rehabilitation programme in the region and provided many villagers with blankets, warm clothing, footwear, food parcels and medicines. We built 14 feet x 14 feet, weatherproof brick homes with a reinforced roof. Each house will also have solar lighting and an outside toilet.

The cost per home was on average £700. There is so much work to rehouse these forgotten communities where, in some cases, you have to ferry supplies on donkey backs or wade through waterlogged farmland to reach them! 90 plus houses were built from charity funds. Our house building programme will continue until financial help stops coming...

Outlook for 2023

We plan to continue the flood relief efforts in Pakistan by getting water hand pumps installed, supply of food parcels, rebuilding more house. Also installing water dispensers in the city of Karbala Iraq in public spaces. Any fund received for Babulilm School in Najaf will be used towards building extension to existing buildings. We are also considering request to raise funds to supply toys for disabled children in the UK

BABUL ILM FOUNDATION UK
FOR THE PERIOD ENDED 31 JANUARY 2023
TRUSTEES' REPORT (CONTINUED)

TRUSTEES' REPORT (CONTINUED)

Reference and administrative Details

England and Wales Charity Number:	1197913
Company Number:	CE028333
Registered Office:	19 Marl Field Close Worcester Park Surrey KT4 7NZ
Accountants	Akber & Co 451 Moseley Road Birmingham, B12 9BX
Bankers	Barclays 2 Churchill Palace, London, E14 5HP

INDEPENDENT EXAMINER S' REPORT TO THE TRUSTEES OF BABUL ILM FOUNDATION UK

I report on the accounts for the year ended 31 January 2023 set out on pages nine to sixteen.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view ' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Akber & Co
451 Moseley Road
Birmingham,
B12 9BX

BABUL ILM FOUNDATION UK
FOR THE PERIOD ENDED 31 JANUARY 2023
 TRUSTEES' REPORT (CONTINUED)

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds	2023 Total
Income			
Donations			
Donations and grants	3	230,143	230,143
Income from charitable activities			
Other income	3	-	-
Total income		230,143	230,143
 Expenditure			
Expenditure on charitable activities	4	95,920	95,920
Total expenditure		95,920	95,920
 Net income before taxation		134,223	134,223
 Taxation (charge)/ credit	6	-	-
Net movement in funds		134,223	134,223
 Total funds brought forward		-	-
Total funds carried forward at 31 January 2023		134,223	134,223

BABUL ILM FOUNDATION UK
FOR THE PERIOD ENDED 31 JANUARY 2023
 TRUSTEES' REPORT (CONTINUED)

BALANCE SHEET

	Notes	2023 Total
Fixed assets	7	
Tangible assets		-
		-
Current assets		
Debtors		-
Cash at bank and in hand		135,423
		135,423
Creditors: Amounts falling due within one year	8	(1,200)
Net current assets		134,223
Reserves		
Unrestricted funds		134,223
Total funds		134,223

The financial statements were approved by the board on 26/11/23 and signed on their behalf by:



Syed Jaffri
 Trustee

Charity registration number: 1197913

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Company information

The Charity is Charitable incorporated organisation. The charity is registered in England and Wales with the Charity Commission. The registered office is 19 Marl Field Close Worcester Park Surrey KT4 7NZ.

If upon winding up or dissolution of the charity there remain any assets, after satisfying all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having objectives similar to the Charity.

1.1. Accounting convention

The financial statements have been prepared on a going concern basis in accordance with 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 (FRS102) (effective 1 April 2015) ("Charities SORP (FRS102)"), the Financial Reporting Standard applicable in the UK (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Babulilm Foundation UK meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

On the grounds that the charity comes under the definition of small charities the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS102 as follows:

Exemption from disclosing the carrying amounts of each category of financial assets and financial liabilities at the reporting date as required by section 11.41 of FRS 102.

Exemption from presenting a charitable company statement of cash flows as a primary statement to the financial statements.

1.2. Going concern

The Trustees have at the time of approving the financial statements a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. In addition, the Trustees have no intention to wind the company up in the foreseeable future. It is considered that there are currently no material uncertainties which impact on the charity being able to continue in its current form. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3. Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attaching to the item(s) have been met, it is probable that the income will be received and the amount can be measured reliably. Income from grants is recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. Where grant income has been received, but the charity has not matched the conditions to become entitled to the income, an income deferral is made.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Donated goods and services

Donated professional services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from use of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS102), the value of volunteer time is not recognised in the financial statements.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is recognised in expenditure in the period of receipt.

Income from goods donated for sale in the charity's shops is recognised at the point of sale. As a result of the high volume of low value donated goods received by the charity, the cost of recognising these items at fair value on receipt would outweigh the benefit of recognising them in the accounts.

Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of interest paid or payable by the Bank.

Rents from letting of charity hall are included when they are receivable by the charity.

1.4. Fund accounting

Unrestricted funds are funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for a particular purpose. Trustees have not classified any funds received as restricted till now.

1.5. Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been apportioned on a basis consistent with the use of the resources.

The cost of raising funds includes fundraising event costs, direct campaigns, general information and public relation costs and their associated support costs.

Expenditure on charitable activities relates to grants awarded and associated support costs. Irrecoverable VAT is charged as a cost against the activity for which expenditure was incurred.

1.6. Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administration, finance, human resources, information systems and governance costs which support the services provided to beneficiaries.

These costs have been allocated between the costs of raising funds and expenditure on charitable activities on the basis set out in note 4.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1.7. Staff Cost

The costs of short-term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period

1.8. Tangible fixed assets

Fixed assets are included on a historical cost basis. It is a policy of the trustees that individual items with a cost below £300 are not capitalised. Depreciation is provided at the following rates and bases to write off the cost of tangible fixed assets over their estimated useful lives by annual instalments, with a full year's charge in the acquisition year and no charge in the year of disposal:

1.9. Stock

It is impractical to estimate the fair value of goods donated for sale in the charity's shops due to the high volume of these items and to include it on the balance sheet. The value of these goods to the charity is instead recognised when they are sold in the shops.

1.10. Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Bank overdrafts are shown within borrowing in current liabilities.

1.11. Taxation

Babulilm Foundation UK is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, the Charity is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

2. Allocation of support costs

Support costs are allocated between the various activities of the charity based on an estimate by management of time spent by employees on each activity. Some employees have roles which support more than one activity. The allocation of these costs are considered to be critical to the accounts because they have the ability to materially alter the allocation of costs between expenditure on raising funds and expenditure on charitable activities.

BABUL ILM FOUNDATION UK
FOR THE PERIOD ENDED 31 JANUARY 2023
 TRUSTEES' REPORT (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. Income

	Unrestricted Income £	Total 2023 £
Donations and non-performance grant		
Donations Received	230,143	230,143
Uk Govt Grants	-	-
	230,143	230,143

4. Analysis of expenditures

Expenditure on raising funds:	Direct Costs	Allocated Costs £	Total 2023 £
Fundraising Charges	-	-	-
	-	-	-

Expenditure on charitable activities:

Housing Project	23,464	308	23,772
Schooling Project (Najaf)	71,214	933	72,148
	94,679	1,241	95,920
Total expenditure	94,679	1,241	95,920

BABUL ILM FOUNDATION UK
FOR THE PERIOD ENDED 31 JANUARY 2023
 TRUSTEES' REPORT (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. Support Costs

Support costs in the current year have been allocated based on an estimate, by management, employment costs are based on time spent by employees contributing to each activity. Support costs have been allocated as follows.

	Premises costs	Administration costs	Total 2023
	£	£	£
Donation Campaign	-	-	-
Emergency and natural disaster	-	-	-
Education, Skill development	-	-	-
	-	-	-

5. Information regarding trustees and employees

Staff costs comprise

	2023
	£
Wages and salaries	-
Social security costs	-
Total employment costs	-

6. Taxation

The charitable activities of Babulilm Foundation UK are exempt from taxation under Chapter 3 of part 11 of the Corporation Tax Act 2010.

BABUL ILM FOUNDATION UK
FOR THE PERIOD ENDED 31 JANUARY 2023
 TRUSTEES' REPORT (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. Fixed Assets

	Fixtures and Fittings	Computer Equipment	Total
	£	£	£
Cost			
14-Feb-22	-	-	-
Additions	-	-	-
31-Jan-23	-	-	-
Depreciation			
14-Feb-22	-	-	-
Charge for the year	-	-	-
31-Jan-23	-	-	-
Net book values			
31-Jan-23	-	-	-

8. Creditors – Amounts falling due within one year

	Total 2023
	£
Other creditors	1,200
	1,200

9. Post balance sheet events

There are no post balance sheet events to report.

10. Charity results

No separate Statement of Financial Activities (including Income and Expenditure Account) has been reported for the Charity alone as permitted by section 408 of the Companies Act and Paragraph 397 of Charities SORP (FRS102). The income of the Charity for the year was £230,143. Expenditure amounted to £95,920. The net surplus for the year was £134,223.

11. Related party transactions

There was no related party transaction to report in 2023.