

**MADEENAT AL-ELM CULTURAL FOUNDATION**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MARCH 2023**

# MADEENAT AL-ELM CULTURAL FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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Trustees	Mr M Asif	(Appointed 7 March 2022)
	Mr Hassan Hessari	(Appointed 7 March 2022)
	Mr J Salehi	(Appointed 7 March 2022)
	Mr A H S Al-Fayyadh	(Appointed 7 March 2022)
	Mr M M I M R Al-Fayyadh	(Appointed 7 March 2022)
Charity number	1198154	
Principal address	50 Northwick Avenue Harrow Middlesex HA3 0AB	
Accountants	RehncyShaheen Chartered Accountants 1276/1278 Greenford Road Greenford Middlesex UB6 0HH	

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# MADEENAT AL-ELM CULTURAL FOUNDATION

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# MADEENAT AL-ELM CULTURAL FOUNDATION

## TRUSTEES' REPORT

### *FOR THE PERIOD ENDED 31 MARCH 2023*

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The trustees present their annual report and financial statements for the Period ended 31 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 charity strives to advance the Islamic Religion in the United Kingdom for the benefit of the public through the provision and maintenance of a building used for religious practice, the conducting of religious ceremonies or the celebration of marriages or funerals, promoting the study of religious ceremonies or the celebration of marriages or scriptures, the holding of prayer meetings, the holding of lectures to enlighten others about the Islamic Religion, the holding of Farsi language classes and Quran classes. The prevention and relief of poverty within local communities in the UK and across the world by providing grants and items to individuals in need and other charities or organisations to relieve poverty.

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

#### **Achievements and performance**

Since the charity was formed, no activity has taken place but the Trustees are hopeful to commence charitable projects in the next year.

#### **Financial review**

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 registered with the Charity Commission in March 2022 under charity number 1198154. It is governed by the constitution dated 7 March 2022.

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

Mr M Asif	(Appointed 7 March 2022)
Mr Hassan Hessari	(Appointed 7 March 2022)
Mr J Salehi	(Appointed 7 March 2022)
Mr A H S Al-Fayyadh	(Appointed 7 March 2022)
Mr M M I M R Al-Fayyadh	(Appointed 7 March 2022)

None of the trustees has any beneficial interest in the charity.

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

.....  
Mr Hassan Hessari  
**Trustee**

Date: .....

# **MADEENAT AL-ELM CULTURAL FOUNDATION**

## **CHARTERED ACCOUNTANTS' REPORT TO THE TRUSTEES ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF MADEENAT AL-ELM CULTURAL FOUNDATION FOR THE PERIOD ENDED 31 MARCH 2023**

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In order to assist you to fulfil your duties under the Charities Act 2011, we have prepared for your approval the financial statements of Madeenat Al-Elm Cultural Foundation for the Period ended 31 March 2023, which comprise the statement of financial activities and the related notes from the charity's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <https://www.icaew.com/regulation>.

This report is made to the charity's trustees, as a body, in accordance with the terms of our engagement letter dated 22 June 2023. Our work has been undertaken solely to prepare for your approval the financial statements of Madeenat Al-Elm Cultural Foundation and state those matters that we have agreed to state to the charity's trustees, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Madeenat Al-Elm Cultural Foundation and the charity's trustees as a body, for our work or for this report.

It is your duty to ensure that Madeenat Al-Elm Cultural Foundation has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and surplus of Madeenat Al-Elm Cultural Foundation. You consider that Madeenat Al-Elm Cultural Foundation is exempt from the statutory audit requirement for the Period, and is not required to obtain an independent examiner's report.

We have not been instructed to carry out an audit or a review of the financial statements of Madeenat Al-Elm Cultural Foundation. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

**RehncyShaheen Chartered Accountants**

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1276/1278 Greenford Road  
Greenford  
Middlesex  
UB6 0HH

# MADEENAT AL-ELM CULTURAL FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

***FOR THE PERIOD ENDED 31 MARCH 2023***

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	Notes	Unrestricted funds 2023 £
<b><u>Income from:</u></b>		
Charitable activities	3	3,480
		<hr/>
<b><u>Expenditure on:</u></b>		
Charitable activities	4	560
		<hr/>
<b>Net income for the Period/ Net movement in funds</b>		2,920
 Fund balances at 7 March 2022		 -
		<hr/>
<b>Fund balances at 31 March 2023</b>		<b>2,920</b>
		<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the Period.

All income and expenditure derive from continuing activities.

# MADEENAT AL-ELM CULTURAL FOUNDATION

## STATEMENT OF FINANCIAL POSITION

*AS AT 31 MARCH 2023*

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	Notes	2023 £	£
<b>Current assets</b>			
Cash at bank and in hand		3,420	
<b>Creditors: amounts falling due within one year</b>	<b>9</b>	<u>(500)</u>	
Net current assets			<u>2,920</u>
<b>Income funds</b>			
Unrestricted funds			<u>2,920</u>
			<u>2,920</u>

The financial statements were approved by the Trustees on .....

.....  
Mr Hassan Hessari  
**Trustee**

# MADEENAT AL-ELM CULTURAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE PERIOD ENDED 31 MARCH 2023

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#### 1 Accounting policies

##### Charity information

Madeenat Al-Elm Cultural Foundation is a charitable trust registered with the Charity Commission in March 2022 under charity number 1198154.

#### 1.1 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.

#### 1.2 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.

#### 1.3 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 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.

#### 1.4 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.

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.



# MADEENAT AL-ELM CULTURAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE PERIOD ENDED 31 MARCH 2023**

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### **1 Accounting policies**

**(Continued)**

#### **1.5 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.

#### **1.6 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.

##### ***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.

##### ***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.

#### **1.7 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.

# MADEENAT AL-ELM CULTURAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE PERIOD ENDED 31 MARCH 2023**

### 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 Charitable activities

	Charitable Income 2023 £
Other income	3,480
	<u>          </u>

### 4 Charitable activities

	Charitable Expenditure 2023 £
Bank charges	60
Share of governance costs (see note 5)	500
	<u>          </u>
	560
	<u>          </u>

### 5 Support costs

	Support costs £	Governance costs £	2023 £
Accountancy	-	500	500
	<u>          </u>	<u>          </u>	<u>          </u>
	-	500	500
	<u>          </u>	<u>          </u>	<u>          </u>
Analysed between Charitable activities	-	500	500
	<u>          </u>	<u>          </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.

# MADEENAT AL-ELM CULTURAL FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE PERIOD ENDED 31 MARCH 2023**

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### **7 Employees**

**2023  
Number**

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

### **8 Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### **9 Creditors: amounts falling due within one year**

**2023  
£**

Accruals and deferred income	500
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### **10 Related party transactions**

There were no disclosable related party transactions during the Period.