

Charity registration number: 292697

# Hazrat Sultan Bahu Trust

Annual Report and Financial Statements

for the Year Ended 31 March 2022

## **Hazrat Sultan Bahu Trust**

### **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 9
Statement of Trustees' Responsibilities	10
Independent Auditors' Report	11 to 12
Statement of Financial Activities	13
Balance Sheet	14
Cash Flow Statement	15
Notes to the Financial Statements	16 to 29

## **Hazrat Sultan Bahu Trust**

### **Reference and Administrative Details**

#### **Trustees**

Sultan Niaz-ul-Hassan

Sultan Fiaz-ul-Hassan

Mr Mohammed Zain Sultan

Mr Ghulam Rasool

Mr Mohammad Hassnain Sultan

Usman Rauf (appointed 4 April 2022)

Ali Akbar (appointed 4 April 2022)

#### **Principal Office**

17-21 Ombersley Road  
Balsall Heath  
Birmingham  
West Midlands  
B12 8UR

#### **Registered Office**

17-21 Ombersley Road  
Balsall Heath  
Birmingham  
West Midlands  
B12 8UR

#### **Charity Registration Number**

292697

#### **Bankers**

HSBC Bank plc  
34 Poplar Road  
Solihull  
West Midlands  
B91 3AF

#### **Auditor**

Shareef & Co  
Chartered Accountants & Statutory Auditors  
18-22 Stoney Lane  
Yardley  
Birmingham  
B25 8YP

## **Hazrat Sultan Bahu Trust**

### **Trustees' Report**

The trustees present the annual report together with the financial statements and auditors' report of the charity for the year ended 31 March 2022.

Covid-19 has significantly impacted the running of The Charity. With many of our projects requiring a complete transition from face to face to online to meet the required government guidelines. Whilst we have faced extremely challenging times, we have also been able to use this time to support various different people and organisations during the Pandemic.

#### **Objectives and activities**

##### ***Objectives, strategies and activities***

The principle objectives of The Charity are to advance the Islamic religion in accordance with the teachings of the Holy Qur'an and the practice of the Prophet Muhammad (Peace Be Upon Him), to further the spiritual and moral mission of Hazrat Sultan Bahu (RA), to promote the health, wellbeing, education, development and training of people of all ages in the United Kingdom, relieve poverty and aid victims of natural disasters in Pakistan and other developing countries.

In accordance with the objectives the activities undertaken vary and encompass all the above.

Education and development opportunities are provided to children and adults; in addition to Arabic and Islamic studies, English and Maths are also offered. A number of events are held throughout the year to celebrate key events of the Islamic Calendar and to celebrate the life of the Prophet Muhammad (Peace Be Upon Him) and of Hazrat Sultan Bahu (RA).

Facilities for worship are also provided and the charity is committed to engaging its users in a well-rounded understanding of the faith based on principles of peaceful and harmonious co-existence.

#### **Fundraising disclosures**

The Charity strives to adhere to relevant statutory regulations including the Data Protection Act (2018) and the Charities Act (2011). We are continually revising our policies and procedures as we grow and to keep up to date with changes in legislation and regulations.

We are registered with the Fundraising Regulator and have developed our procedures to comply with the Code of Fundraising Practice. HSBT is also a member of the Institute of Fundraising and our fundraising activities are legal, transparent, honest and respectful.

Our fundraising teams utilise a number of different approaches, which include the following:

- Individual Donor Giving
- Major Donor Giving
- Corporate and/or Institutional Giving
- Community Fundraising
- Challenges
- Live TV Appeals
- Events
- Volunteers
- Direct Mail
- Online Giving
- Call Centres

Fundraising activities are carried out by our own staff, volunteers, partners and professional fundraisers.

#### **Code of Fundraising Practice**

During the year we reviewed our compliance with the Fundraising Regulator's Code of Fundraising Practice. We plan to subject ourselves to an internal audit of compliance. We have internal policies which staff must adhere to with regards to due diligence and speaker checks for fundraising events.

#### **General Data Protection Regulation (GDPR)**

From September 2017 we have provided training to all staff and GDPR training is ongoing for new staff and volunteers. We have Data Protection Policy and Privacy Statements.

#### Protection of Vulnerable People

The Charity abides by the Fundraising Regulator's Code of Fundraising Practice and ensures our staff and volunteers are fully briefed about the code on conduct with regard to the protection of vulnerable people. Before any external facing fundraising activity is undertaken, we brief staff and volunteers on best practice and make them aware of the need to identify, respect, support and protect vulnerable people.

#### Complaints Handling

For instances where we do not meet the high standards, we set ourselves, we have a complaints policy in place. A complaint can be submitted to us either in person, by telephone, email or online via our website contact form. Complaints are dealt with in accordance with the process laid down in the policy and reported to the Fundraising Regulator through the annual return.

#### Public Benefit

The section of this report above entitled 'Objectives and activities' sets out the objectives and aims of The Charity. The Achievements and performance below discusses on how public benefit was achieved during the period.

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### Grant Making Policies

The Charity makes grant to its partner charity in Pakistan to further its objectives to advance the Islamic religion in accordance with the teachings of the Holy Qur'an and the practice of the Prophet Muhammad (Peace Be Upon Him), to further the spiritual and moral mission of Hazrat Sultan Bahu (RA). The Charity funds many educational projects of the partner charity.

#### **Public benefit**

The section of this report above entitled 'Objectives and activities' sets out the objects and aims of the charity. The Achievements and performance below discusses on how public benefit was achieved during the period.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Grant making policies**

The charity makes grant to its partner charity in Pakistan to further its objectives to advance the Islamic religion in accordance with the teachings of the Holy Qur'an and the practice of the Prophet Muhammad (Peace Be Upon Him), to further the spiritual and moral mission of Hazrat Sultan Bahu (RA). The Charity funds many education projects of the partner charity.

#### **Achievements and performance**

The charity has continued to achieve its charitable purposes and meet its development targets this year. The process of upgrading systems, procedures and policies to ensure improved service delivery, openness, transparency and accountability has continued over the year and significant milestones have been reached.

The user base of the Charity has continued to grow and we are pleased to have increased user numbers significantly across all of our centres.

#### **Expansion of Network**

The Charity is a network of organisations and is constantly expanding and strengthening that network.

The Charity has purchased a new property for Branch in Wolverhampton at Wanderers Avenue. The Charity has done a major extension work at Luton and Slough London Branch.

#### **Evening and Weekend Supplementary Education**

The charity provides supplementary classes primarily for children between the ages of 6 and 11. The number of children attending these supplementary classes has substantially increased over the last few years and during the last year in the region of four thousand children attended classes throughout the network. Children are offered a broad based and traditional Islamic education based on the Sufi principles of enriching the spiritual state, serving humanity and peaceful co-existence with others.

The Charity is committed to developing users so that they can be upright Muslims and law-abiding citizens that make a valuable contribution to the UK. In addition, supplemental classes are offered in English and Maths to support achievement at school.

Internal assessments are carried out regularly and this has aided in measuring improvement and strategizing to build on the success of the achievements.

**Birmingham Qur'an Academy**

The Birmingham Qur'an Academy was set up under the auspices of the Charity to provide high quality tuition in the art of the recitation of the Holy Qur'an and in the Arabic Language. In less than a year the academy has grown from a fledgling operation to an Academy with over 600 students. The Charity has supported the Academy in sourcing highly qualified teachers from various countries. The Academy provides tuition regardless of age, background or ability.

The Birmingham Qur'an Academy has hugely invested in its staff and students by providing training to all its staff to deliver their classes online. Their absolute priority was to ensure that these students did not miss out on their education and still had a safe place to communicate with their teachers.

**Dars-e-Nizami**

The Dars-e-Nizami classes have been running for a number of years at all centres. A number of new students were taken on this year and they were keen to learn both classical and modern texts taught now by both English and Urdu speaking scholars to broaden the student base.

**Worship and Islamic Education**

The Charity is committed to providing facilities for regular worship and to providing opportunities for its users to develop their knowledge and practice of Islam. It is also committed to bringing to its users a mature, well developed form of British Islam appropriate to the society in which they live and work.

In addition, the Charity runs a programme for the training of Imams and has contributed to the establishment of a fraternity of British Muslim Imams fully conversant with theological aspects of the faith of Islam and with the cultural, socio-political and pluralistic context of Britain.

**The Grand Mawlid: Celebrating the Birth of the Prophet Muhammad (Peace Be Upon Him) & The Urs - Annual Celebration of the Life of Hazrat Sultan Bahu (RA)**

The Grand Mawlid celebrates the birth of the Prophet Muhammad (Peace Be Upon Him) and is a regular feature of the annual calendar of the Charity. Generally, celebrations and events are held at all of the branches of The Charity, but due to the pandemic we have had to move all of our major gatherings online. These events offer users the opportunity to come together and join in the joyous celebrations and to reflect on the life of the Prophet Muhammad and his legacy to humankind - above all on his message of peaceful co-existence, harmony and striving for good in all aspects of life.

Another series of gatherings held each year is to celebrate the life and teachings of the Sufi Saint and Poet Hazrat Sultan Bahu (ra). Again, these celebrations take place in a number of centres, however due to the pandemic we have had to move all of our major gatherings online. As with all spiritual gatherings, many religious and traditional ceremonies take place.

Each online event hosted international spiritual leaders, notable Islamic Scholars, specialist Qur'an reciters, renowned Nasheed artists and singers. Presentations and addresses were made in English, Arabic, Urdu, Punjabi, Mirpuri and Saraiqi.

In addition, key members of the local community, civic leaders, and councillors drawn from a variety of backgrounds are invited to attend the gatherings online. This aids The Charity in promoting community cohesion and cementing links with other organisations and charities.

**Self-Isolation Community Foodbank, Information, Advice & Guidance Centre**

Since March 2020 till present, The Charity has provided a Self-Isolation Community Foodbank, Information, Advice & Guidance Centre open to people of all backgrounds or faith. The Charity distributed essential supplies to the most vulnerable during the initial lockdown and continue to support those having to self-isolate and those who are facing financial crisis. The Charity also provided Information, Advice and Guidance (IAG) on all matters concerning the community. The IAG is still running, supporting people from all faiths and backgrounds. Till date there have been more than 2000 people who have benefitted from this service.

**Interfaith & Digital Platform**

From March 2020 till present, The Charity has benefited in excess of 25 places of worship in Birmingham by supporting interfaith briefing meetings with Birmingham City Council. The Charity have been working with other faiths groups to make sure The Charity are all aware of and following current Government and Public Health guidance to keep all our respective congregations safe from the spread of the virus. During this time, The Charity has also provided Zoom facilities to Birmingham City Council, West Midlands Police and other faith groups by providing them with our Bahu Trust Zoom account facility, this has allowed The Charity for more flexibility to engage with an unlimited number of participants. This was crucial for the success of partners to engage with Mosques and other faith communities in a meaningful way. This also benefited 20 cross faith Organisations in Birmingham.

**Mosque Briefings with BCC & Covid-19 Risk Assessment Training**

During the start of the pandemic in March 2020 The Charity worked closely with Birmingham City Council to organize Birmingham wide Mosque briefings. Over 100 Mosques benefited from this service. The Charity also provided Covid-19 risk assessment training

to 20 mosques. The Charity trained mosques on conducting Covid risk assessments and carried out visits and assessments to review all necessary actions taken.

#### **Emergency Services Masjid Response & NHS support**

From March 2020 to present, The Charity has supported our emergency services by providing them with hot meals. The beneficiaries The Charity Balsall Heath Police station, Highgate Fire Station and Queen Elizabeth Hospital. 200 people benefited from this service. In April 2020, The Charity was contacted by Penn Hospital in Wolverhampton who asked for support after hearing about our service. The Charity helped staff across the hospital struggling to purchase items due to panic buying or could those who could just not afford food and toiletries. In total, The Charity was able to help 80 people.

#### **Eid Gifts & Eid For Special Needs Children**

During Eid-al Fitr in 2020, The Charity benefited over 2000 households by delivering sanitized Eid gifts of sweets and goodies to all households neighboring the Mosque. Another initiative during Eid 2020 and 2021 was to provide a Special Eid prayer service for families with special needs children. These families normally do not pray Eid Salah in a Mosque, for many it was their first time reading in a Mosque behind the Imam. This has now become a regular fixture for us and incorporate this into our timetable during Eid-al Adha and Eid-al Fitr. This directly benefited 100 people.

#### **Video Messaging**

From March 2020 till present The Charity reached over 35,000 people when The Charity was commissioned by Public Health (Birmingham City Council) to help create a series of animated video messages covering Urdu, Punjabi, Arabic, Bangla and Sylheti languages. This reached out to many minority communities who have been hardest hit throughout the pandemic.

#### **Covid-19 Guidance Officer**

From April 2021 till present our Community Guidance Officer have increased the range of accessible information for hard to reach and vulnerable groups within Birmingham. This includes holding events and speaking at community and faith events to give guidance on test and trace and vaccinations. The Charity is Holding weekly surgeries at places of worship so the community can come and receive guidance and literature. The Charity has been working with the local authority on any hotspots in the Birmingham area especially targeting south Asian or Muslim areas. The Community Reassurance Officer has been engaging with health partners to get the most up to date guidance around COVID and use social media to dispel myths in communities. This has benefited over 1000 people.

#### **Gift of Iftar & Ramadan Online**

During Ramadan 2020 and 2021, The Charity provided hot Iftar meals to anyone upon request. The Charity wanted to make sure people did not feel forgotten and the normal meal they would have eaten at the Mosque was delivered to their houses. This directly benefited 3500 people and whilst many of these people were Muslims, there were also non-Muslims who benefited from this service. During this time, The Charity was also able to benefit 1000 people by encouraging them to stay home and enjoy Ramadan from home, with live streaming of Taraveeh prayers and other programmes, including a women's show to stay in touch with our local community. This was also a way of providing the community with some sense of normality through these extremely challenging times.

#### **Organized Community Q&A**

In January 2021, The Charity organized numerous online myth buster Q&A sessions on COVID-19 and getting vaccinated, bringing together leaders and medics within the Muslim Community to answer questions from the community. This benefited 2000 people.

#### **Healthy Body Healthy Mind & Interfaith Memorial Service**

From November 2020 to November 2021, The Charity's Kindness Project which is a unique interfaith project supporting people through the grief of loss helped support in excess of 500 people. The Charity continues to support people with funeral arrangements and They have a team of trained volunteer befrienders from all backgrounds and faiths to support anyone in need. During January and February 2021, The Charity also organized online health and fitness sessions upon request of the local community, some of whom were feeling depressed and struggling with their mental health. This helped to get people back on track through exercise sessions led by a local influencer and fitness instructor. This helped 300 people across all faiths. The Charity also organized an online interfaith memorial service for all the NHS staff and local people who had passed away during the Covid-19 pandemic with an audience of 500.

#### **Feed The Homeless**

From April 2020 to June 2020, The Charity worked with partners such as the Balsall Heath Church Centre & St Paul's Development Trust, reaching out to the homeless, providing food provisions and meeting their needs. The Charity was able to support 200 people of all backgrounds.

#### **Covid Faith Forum - The Charity Midlands Police**

Our ongoing project in the West Midlands is being Part of the interfaith forum set up by West Midlands Police to inform and advice on the challenges faced by faith groups during the Covid-19 pandemic.

#### **Financial review**

During the year HSBT received total income of £2.3m (2021: £2.1m). After incurring expenditure of £2.1m (2021: £1.84m), the net movement in funds was £212k (2021: £227k). The year-end carried forward reserves stood at £5.8m (2021: £5.5m) of which £5.8m (2021: £5.53m) is Unrestricted and £Nil (2021: £14k) is Restricted.

#### ***Policy on reserves***

The charity reserves are deemed sufficient to cover the support costs for the next year. The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

#### ***Plans for future periods***

##### ***Aims and key objectives for future periods***

The charity plans to recruit a capable CEO to consolidate the management functions within the charity and increase its sustainable income and make its project delivery processes efficient and governance effective.

#### ***Going concern***

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

#### ***Structure, governance and management***

##### ***Nature of governing document***

The charity is an unincorporated charity, formed under a deed called constitution on 8th September 1985 and amended on 14 April 2007. The charity is registered with the Charities Commission under reference number 292697 on 4th October 1985.

##### ***Recruitment and appointment of trustees***

The Trustees are appointed by the Board of Trustees and serve for a period of five years after which period they may put themselves forward for re-appointment. The constitution provides for a minimum of 4 Trustees and a maximum of 9 Trustees due for re-appointment in any one year.

##### ***Arrangements for setting key management personnel remuneration***

The Trustees do not receive any remuneration, and are reimbursed for expenses relating to the charity.

The charity is run by an Operations Manager who takes a lead on finance and HR matters centrally. The Operations Manager reward reflects market rate and is set by the Chairman after consulting relevant trustees.

Each centre is managed by its own management team based on volunteers.

#### ***Organisational structure***

The charity has a number of branches including those in London, Slough, Nottingham, Blackburn, Luton, Wolverhampton, Hall Green, Leeds and Nelson. The accounts incorporate the financial results from all the branches.

#### ***Relationships with related parties***

##### ***Islamic Help***

Sultan Fiaz ul Hassan and Sultan Niaz ul Hassan, trustees of HSBT are also trustees of Islamic Help, a registered charity (No.1160490).

##### ***Ward End Community College***

Sultan Fiaz ul Hassan and Sultan Niaz ul Hassan, trustees of HSBT are also trustees of Ward End Community College, a registered charity (No.1120769).

##### ***Sultan Bahu Centre***

Sultan Fiaz ul Hassan and Sultan Niaz ul Hassan, trustees of HSBT are also trustees of Sultan Bahu Centre, a registered charity (No.1137312).

#### ***Major risks and management of those risks***

##### ***Cash flow and lack of funds***

Poor cash flow and lack of funds can hinder the ability of the Trust to deliver many of its services.



The Trust has embarked on a cost reduction programme. As part of this activity, the Trust has reduced its overheads and its costs associating to broadcastingting.

#### **Financial instruments**

##### ***Objectives and policies***

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

##### ***Cash flow risk***

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

##### ***Credit risk***

The Charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The Charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. The Charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

##### ***Liquidity risk***

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance. Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

##### **Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on **26/01/23** and signed on its behalf by:

  
.....  
Sultan Niaz-ul-Hassan  
Trustee

## **Hazrat Sultan Bahu Trust**

### **Statement of Trustees' Responsibilities**

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Hazrat Sultan Bahu Trust**

### **Independent Auditor's Report to the Members of Hazrat Sultan Bahu Trust**

#### **Opinion**

We have audited the financial statements of Islamic Help (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## Hazrat Sultan Bahu Trust

### Independent Auditor's Report to the Members of Hazrat Sultan Bahu Trust

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Charity and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment laws and taxes, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and FRS 102. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to achieve desired financial results and the manipulation of exceptional items and management bias in accounting estimates. Audit procedures performed by the engagement team included, but were not limited to: - enquiries with management, and the Company's legal counsel (internal and, where relevant, external), including consideration of known or suspected instances of fraud and non-compliance with laws and regulations and examining supporting calculations where a provision has been made in respect of these; reading key correspondence with regulatory authorities in relation to compliance with certain employment laws and indirect tax matters; - understanding and evaluating the design and implementation of management's controls designed to prevent and detect irregularities; - challenging assumptions and judgements made by management in their significant accounting estimates, in particular, in relation to restricted funds; - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations and postings by unusual users; There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

#### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Shareef & Co  
Statutory Auditors  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
18 - 22 Stoney Lane  
Yardley  
Birmingham  
West Midlands  
B25 8YP

26 January 2023

## Hazrat Sultan Bahu Trust

### Statement of Financial Activities for the Year Ended 31 March 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	2,052,179	-	2,052,179
Other trading activities	3	261,109	-	261,109
Total Income		2,313,288	-	2,313,288
<b>Expenditure on:</b>				
Raising funds	5.1	(38,664)	-	(38,664)
Charitable activities	6	(1,987,660)	(75,204)	(2,062,864)
Total Expenditure		(2,026,324)	(75,204)	(2,101,528)
Net income/(expenditure)		286,964	(75,204)	211,760
Gross transfers between funds		(60,817)	60,817	-
Net movement in funds		226,147	(14,387)	211,760
<b>Reconciliation of funds</b>				
Total funds brought forward		5,525,224	14,387	5,539,611
Total funds carried forward	20	5,751,371	-	5,751,371

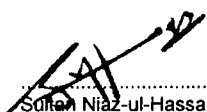
	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	2	1,800,675	-	1,800,675
Other trading activities	3	235,756	-	235,756
Other income	4	26,249	-	26,249
Total Income		2,062,680	-	2,062,680
<b>Expenditure on:</b>				
Raising funds	5.1	(7,180)	-	(7,180)
Charitable activities	6	(1,801,498)	(27,500)	(1,828,998)
Total Expenditure		(1,808,678)	(27,500)	(1,836,178)
Net movement in funds		254,002	(27,500)	226,502
<b>Reconciliation of funds</b>				
Total funds brought forward		5,271,222	41,887	5,313,109
Total funds carried forward	20	5,525,224	14,387	5,539,611

The funds breakdown for 2019 is shown in note 20.

**Hazrat Sultan Bahu Trust**  
**(Registration number: 292697)**  
**Balance Sheet as at 31 March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	8,936,682	9,086,114
Investments	15	<u>1,852,826</u>	<u>1,852,826</u>
		<u>10,789,508</u>	<u>10,938,940</u>
<b>Current assets</b>			
Debtors	16	280,969	291,511
Cash at bank and in hand	17	<u>254,822</u>	<u>210,454</u>
		535,791	501,965
<b>Creditors: Amounts falling due within one year</b>	18	<u>(2,761,126)</u>	<u>(2,434,590)</u>
<b>Net current liabilities</b>		<u>(2,225,335)</u>	<u>(1,932,625)</u>
<b>Total assets less current liabilities</b>		8,564,173	9,006,315
<b>Creditors: Amounts falling due after more than one year</b>	19	<u>(2,812,802)</u>	<u>(3,466,704)</u>
<b>Net assets</b>		<u>5,751,371</u>	<u>5,539,611</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		-	14,387
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>5,751,371</u>	<u>5,525,224</u>
<b>Total funds</b>	20	<u>5,751,371</u>	<u>5,539,611</u>

The financial statements on pages 18 to 34 were approved by the trustees, and authorised for issue on **26/01/23** and signed on their behalf by:

  
 .....  
 Sultan Niaz-ul-Hassan  
 Trustee

# Hazrat Sultan Bahu Trust

## Cash Flow Statement for the Year Ended 31 March 2022

	Note	2022 £	2021 £ (restated)
<b>Cash flows from operating activities</b>			
Net cash income		211,760	226,502
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	5	271,824	283,528
		483,584	510,030
<b>Working capital adjustments</b>			
Decrease/(increase) in debtors	16	10,542	(25,053)
Increase/(decrease) in creditors	18	379,025	(432,433)
Net cash flows from operating activities		873,151	52,544
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	14	(122,392)	(238,934)
Sale of tangible fixed assets		-	372,940
Net cash flows from investing activities		(122,392)	134,006
<b>Cash flows from financing activities</b>			
Repayment of loans and borrowings	18	(640,141)	(180,653)
Repayment of capital element of finance leases and HP contracts		(66,250)	58,755
Net cash flows from financing activities		(706,391)	(121,898)
Net increase in cash and cash equivalents		44,368	64,652
Cash and cash equivalents at 1 April		210,454	145,802
Cash and cash equivalents at 31 March		254,822	210,454

## **Hazrat Sultan Bahu Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **1 Accounting policies**

##### **Statement of compliance**

The financial statements have been prepared 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 and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

##### **Basis of preparation**

Hazrat Sultan Bahu Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

##### **Income and endowments**

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

##### **Donations and legacies**

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

##### **Grants receivable**

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

##### **Deferred income**

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

##### **Donated services and facilities**

Where services or facilities are provided to the charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

##### **Investment income**

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.



## **Hazrat Sultan Bahu Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### **Raising funds**

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### **Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Grant provisions**

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £1,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

## **Hazrat Sultan Bahu Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

<b>Asset class</b>	<b>Depreciation method and rate</b>
Buildings	50 years - Straight line method
Fixtures & Fittings	15 years - Straight line method

#### **Investment properties**

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### **Classification**

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## **Hazrat Sultan Bahu Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### ***Debt instruments***

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

## **Hazrat Sultan Bahu Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### ***Investments***

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

#### ***Fair value measurement***

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

## Hazrat Sultan Bahu Trust

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 2 Income from donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Donations and legacies;			
Donations to major appeals	1,504,822	1,504,822	979,498
Gift aid reclaimed	61,627	61,627	60,000
Grants, including capital grants;			
Government grants	311,845	311,845	675,207
Grants from other charities	161,885	161,885	61,970
Management Services	12,000	12,000	24,000
	<u>2,052,179</u>	<u>2,052,179</u>	<u>1,800,675</u>

#### 3 Income from other trading activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Property rental income	244,910	244,910	225,742
Other income from other trading activities	16,199	16,199	10,014
	<u>261,109</u>	<u>261,109</u>	<u>235,756</u>

#### 4 Other Income

	Total 2022 £	Total 2021 £
Gains on sale of tangible fixed assets for charity's own use	<u>-</u>	<u>26,249</u>

#### 5 Expenditure on raising funds

##### Costs of generating donations and legacies

a)

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Donations	<u>38,664</u>	<u>38,664</u>	<u>7,180</u>

# **Hazrat Sultan Bahu Trust**

## **Notes to the Financial Statements for the Year Ended 31 March 2022**

### **6 Expenditure on charitable activities**

	<b>Activity undertaken directly £</b>	<b>Grant funding of activity £</b>	<b>Activity support costs £</b>	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Faith & Worship	1,752,114	-	235,546	1,987,660	1,782,587
Education	15,745	59,459	-	75,204	46,411
	<u>1,767,859</u>	<u>59,459</u>	<u>235,546</u>	<u>2,062,864</u>	<u>1,828,998</u>

## Hazrat Sultan Bahu Trust

### Notes to the Financial Statements for the Year Ended 31 March 2022

£1,987,660 (2021 - £1,801,498) of the above expenditure was attributable to unrestricted funds and £75,204 (2021 - £27,500) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £43,362 (2021: £51,210) which relate directly to charitable activities. See note 7 for further details.

#### 7 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Audit fees			
Audit of the financial statements	6,000	6,000	6,000
Legal fees	33,582	33,582	40,710
Other governance costs	3,780	3,780	4,500
	43,362	43,362	51,210

#### 8 Grant-making

##### Analysis of grants

	Grants to Institutions 2022 £	2021 £
<b>Analysis</b>		
Islamic Help	40,000	27,500
As-Siraat	2,460	-
Takbeer TV	1,100	-
Ahl us Sunnah	899	-
	44,459	27,500

The support costs associated with grant-making are £Nil (31 March 2021 - £Nil).

#### 9 Net Incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Depreciation of fixed assets	271,824	283,528

## Hazrat Sultan Bahu Trust

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 10 Trustees remuneration and expenses

No trustees have received any reimbursed expenses from the charity during the year.

#### 11 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
<b>Staff costs during the year were:</b>		
Wages and salaries	884,382	833,573
Social security costs	28,234	20,982
Pension costs	7,934	3,569
	<u>920,550</u>	<u>858,124</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Admin & Finance	19	92
Teachers	92	69
Clergy	17	24
	<u>128</u>	<u>185</u>

No employee received emoluments of more than £60,000 during the year

#### 12 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	<u>6,000</u>	<u>6,000</u>



## Hazrat Sultan Bahu Trust

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2021	11,869,320	473,278	61,049	12,403,647
Additions	113,009	9,383	-	122,392
At 31 March 2022	11,982,329	482,661	61,049	12,526,039
<b>Depreciation</b>				
At 1 April 2021	3,086,803	169,681	61,049	3,317,533
Charge for the year	239,647	32,177	-	271,824
At 31 March 2022	3,326,450	201,858	61,049	3,589,357
<b>Net book value</b>				
At 31 March 2022	8,655,879	280,803	-	8,936,682
At 31 March 2021	8,782,517	303,597	-	9,086,114

The tangible assets, fixtures and fittings include assets with a net book value of £271,800 (2021: £302,000) held under finance lease arrangement.

As at 31 March 2022 most of the properties were in the legal ownership of current and past trustees and benefactors. They have given undertakings that they own the properties on trust on behalf of the charity.

#### 15 Fixed asset investments

	2022 £	2021 £
Investment properties	1,852,826	1,852,826

#### Investment properties

	Investment properties £
<b>Cost or Valuation</b>	
At 1 April 2021	1,852,826
<b>Provision</b>	
At 31 March 2022	-
<b>Net book value</b>	
At 31 March 2022	1,852,826
At 31 March 2021	1,852,826

There has been no valuation of investment property by an independent valuer.

## Hazrat Sultan Bahu Trust

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 16 Debtors

	2022 £	2021 £
Trade debtors	178,977	169,007
Gift Aid	101,992	122,504
	<u>280,969</u>	<u>291,511</u>

#### 17 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	3,188	1,412
Cash at bank	251,634	209,042
	<u>254,822</u>	<u>210,454</u>

#### 18 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans	266,748	312,037
Finance Lease	51,895	51,895
Other taxation and social security	35,671	19,783
Other creditors	2,312,042	1,968,051
Accruals	86,364	74,418
Deferred income	8,406	8,406
	<u>2,761,126</u>	<u>2,434,590</u>

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2022 £	2021 £
Bank Loan	266,748	312,037
Finance Lease	51,895	51,895
	<u>318,643</u>	<u>363,932</u>

#### 19 Creditors: amounts falling due after one year

	2022 £	2021 £
Bank loans	2,698,467	2,933,319
Other loans	-	360,000
Finance leases	63,393	129,643
Other creditors	50,942	43,742
	<u>2,812,802</u>	<u>3,466,704</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

## Hazrat Sultan Bahu Trust

### Notes to the Financial Statements for the Year Ended 31 March 2022

	2022 £	2021 £
Bank Loan	2,698,467	2,933,319
Finance Lease	63,393	129,643
	<u>2,761,860</u>	<u>3,062,962</u>

Bank loans and overdrafts are secured by a first priority legal charge of all Freehold and Investment Property held by the charity. Liabilities under finance lease agreements are secured on the individual assets concerned.

#### 20 Funds

	Balance at 1 April 2021 £ (Restated)	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
General	5,525,224	2,313,288	(2,026,324)	(60,817)	5,751,371
<b>Restricted funds</b>	14,387	-	(75,204)	60,817	-
<b>Total funds</b>	<u>5,539,611</u>	<u>2,313,288</u>	<u>(2,101,528)</u>	<u>-</u>	<u>5,751,371</u>

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £ (restated)	Balance at 31 March 2021 £
<b>Unrestricted funds</b>				
General	5,271,222	2,062,680	(1,808,678)	5,525,224
<b>Restricted funds</b>	41,887	-	(27,500)	14,387
<b>Total funds</b>	<u>5,313,109</u>	<u>2,062,680</u>	<u>(1,836,178)</u>	<u>5,539,611</u>

The specific purposes for which the funds are to be applied are as follows:

The restricted funds relate to the charity work on Education projects in Pakistan.

#### 21 Analysis of net assets between funds

	Unrestricted funds General £	Total funds 2022 £
Tangible fixed assets	8,936,682	8,936,682
Fixed asset investments	1,852,826	1,852,826
Current assets	535,791	535,791
Current liabilities	(2,761,126)	(2,761,126)
Creditors over 1 year	(2,812,802)	(2,812,802)
<b>Total net assets</b>	<u>5,751,371</u>	<u>5,751,371</u>

## Hazrat Sultan Bahu Trust

### Notes to the Financial Statements for the Year Ended 31 March 2022

	Unrestricted funds General £	Restricted funds £	Total funds 2021 £
Tangible fixed assets	9,086,114	-	9,086,114
Fixed asset investments	1,852,826	-	1,852,826
Current assets	487,578	14,387	501,965
Current liabilities	(2,434,590)	-	(2,434,590)
Creditors over 1 year	(3,466,704)	-	(3,466,704)
Total net assets	5,525,224	14,387	5,539,611

#### 22 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	210,454	59,368	269,822
Net debt	210,454	59,368	269,822

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	145,802	64,652	210,454
Net debt	145,802	64,652	210,454

## **Hazrat Sultan Bahu Trust**

### **Notes to the Financial Statements for the Year Ended 31 March 2022**

#### **23 Financial Instruments**

##### **Categorisation of financial instruments**

	<b>2022 £</b>	<b>2021 £</b>
Financial assets measured at fair value through profit or loss	269,822	210,454
Financial assets that are debt instruments measured at amortised cost	219,342	291,511
	<u>489,164</u>	<u>501,965</u>
Financial liabilities measured at fair value through profit or loss	(5,621,452)	(5,901,294)

#### **24 Related party transactions**

##### **Islamic Help**

Sultan Fiaz ul Hassan and Sultan Niaz ul Hassan, trustees of HSBT are also trustees of Islamic Help, a registered charity (No.1160490).

- Rental income £112,000 (2021: £112,000)
- Donation towards projects £120,000 (2021: £120,000)
- Other Creditors within 1 year £214,825 (2021: £214,825)
- Other Creditors over 1 year £360,000 (2021: £360,000)

##### **Ward End Community College**

Sultan Fiaz ul Hassan and Sultan Niaz ul Hassan, trustees of HSBT are also trustees of Ward End Community College, a registered charity (No.1120769).

- Charitable donation £Nil (2021: £Nil)

##### **Sultan Bahu Centre**

Sultan Fiaz ul Hassan and Sultan Niaz ul Hassan, trustees of HSBT are also trustees of Sultan Bahu Centre, a registered charity (No.1137312).

Rental income £12,000 (2021: £12,000)  
Management charges £12,000 (2021: £12,000)