

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOMINEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

LEGAL AND ADMINISTRATIVE INFORMATION

Sole Trustee

“The Dai al-Mutlaq”, a Corporation Sole enacted on 1st July, 1993 as **Dawat-e-Hadiyah Act 1993** by the Queen’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in the Parliament of the United Kingdom of Great Britain and Northern Ireland.

Today, the 53rd al-Dai al-Mutlaq, His Holiness Dr. Syedna Mufaddal Saifuddin^{TUS} is the Corporation Sole and in his capacity as the Corporation Sole – the Sole Trustee of the Trust.

Nominees

Mazoon-e-Dawat il-Haq, Dr. Syedi Qaidjoher bhaisaheb Ezzuddin^{DM}
(Name as in passport Qaid Joher Ezzuddin)

Shahzada Idris bhaisaheb Badruddin
(Name as in passport Idris Badruddin)

Shahzada Qusai bhaisaheb Vajihuddin
(Name as in passport Qusai Vajihuddin)

Shahzada Ammar bhaisaheb Jamaluddin
(Name as in passport Ammar Mohammed Burhanuddin Jamaluddin)

Shahzada Taha bhaisaheb Najmuddin
(Name as in passport Taha Mufaddal Saifuddin)

Shahzada Dr. Husain bhaisaheb Burhanuddin
(Name as in passport Husain Mufaddal Saifuddin)

Charity number

294807

Principal office

6 Mohammedi Park Complex
Rowdell Road
Northolt
Middlesex
UB5 6AG

Auditor

TC Group
5TH Floor
3 Dorset Rise
London
EC4Y 8EN

Bankers

Barclays Bank Plc
Leicester
Leicestershire
LE87 2BB

Habib Bank AG Zurich
377 Station Road
Harrow
Middlesex
HA1 2AW

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers (continued)

HSBC Bank Plc
25 Notting Hill Gate
London
W11 3JJ

National Australia Bank
799 Pacific Highway
Chatswood NSW 2067
Australia

United Overseas Bank Limited
80 Raffles Place
UOB Plaza 1
Singapore
048624

Solicitors

B D B Pitmans LLP
One Bartholomew Close
London
EC1A 7BL

Collyer Bristow LLP
St. Martin's Court
10 Paternoster Row
London
EC4M 7EJ

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

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DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOMINEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Nominees present their report and the consolidated financial statements for the year ended 31 December 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 trust deed, 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 from 1 January 2019).

Aims and objectives

The objects of the Trust are to carry out such charitable purposes for the relief of poverty and the advancement of education or religion or otherwise for the benefit of mankind anywhere in the world as the Dai al-Mutlaq shall from time to time determine. These include the advancement, safeguard and protection of the Islamic religion; the advancement of learning and education in their widest connotations; the relief of poverty and help to the poor and needy; the grant and aid of medical relief and the advancement of such other religious and charitable objects as the Dai al-Mutlaq shall determine.

The Trust aims to further these objects through the support of Anjumans, other charities, Dawoodi Bohra institutions and the community in general.

The Nominees confirm that they have paid due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the objects of the Trust for the year. The main activities undertaken to further the Trust's purposes for the public benefit include the provision of grants and donations to other charities and for the education and relief of distress suffered by individuals in the community.

Grant making policy

The Trust's grant making policy is to identify those charities, individuals and community projects in the UK and worldwide that meet the objects of the Trust stated above.

Qardan Hasana

Due to the tenets of the Dawoodi Bohra faith, interest can neither be received nor paid and as a result, the Trust provides interest free loans in order to directly further its charitable purposes to businesses and other charities.

Activities and performance

The Trust carries out a wide range of activities in pursuance of its charitable aims. The Nominees consider that these activities, noted below, provide benefit both to the Dawoodi Bohra community and the wider local community.

In order to achieve its objectives as stated above, the Trust has incurred expenses on various activities for the relief of distress and aid of the community, as detailed in note 5 of the accounts. These include Niyaz, Mawaed, Talimy Imdad, Tibby Imdad and Muvasat (see glossary on page 28). Additionally, the Trust financially supports Faiz-ul Mawa'id al Burhaniyah, a movement for catering meals free of cost, once a day, to all members of the Dawoodi Bohra community initiated by the 52nd al-Dai al-Mutlaq, His Holiness Dr. Syedna Mohammed Burhanuddin^{RA} and continued by his successor the 53rd al-Dai al-Mutlaq, His Holiness Dr. Syedna Mufaddal Saifuddin^{TUS}.

Property transactions

During the year, the Trust received a gift of property with a value of £864,859 (2022: £1,778,525).

All properties are held for the beneficial interest of "The Dai al-Mutlaq", a Corporation Sole who is the sole Trustee of Dawat-e-Hadiyah Trust (United Kingdom).

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOMINEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

Financial review

The consolidated statement of financial activities set out on page 8 of the financial statements shows the Group's income and expenditure for the year ended 31 December 2023.

Total income amounted to £15,626,842, a decrease of £4,869,839 on the previous year. This comprises mainly of voluntary donations and investment income, but also includes the value of a gifted property.

Total expenditure amounted to £12,692,796 (2022: £18,110,552), with £845,464 (2022: £524,708) defrayed in raising funds, £2,665,275 (2022: £10,536,266) on charitable activities, £7,926,777 (2022: £5,503,254) on grant funding and £1,255,280 (2022: £1,546,324) on support and governance costs. The expenditure in 2022 included Ashara Mubarak 1444 costs of £10,335,474 whereas, no such costs arose in 2023 and this explains the general decrease in overall total costs when compared to 2022.

After allowing for the net loss on investments of £828,118 (2022: gain of £423,000) the Trust's net movement in funds for the year resulted in a surplus of £2,105,928 (2022: £2,809,129).

The balance sheets set out on page 9 show the financial position of the Group and the Trust at 31 December 2023.

Total Group assets less liabilities amounted to £153,962,399 (2022: £151,856,471) which is represented by the accumulated balances on the unrestricted funds of £116,788,673 (2022: £114,682,745) and restricted funds of £37,173,726 (2022: £37,173,726).

Reserves policy

It is the policy of the Trust to maintain unrestricted funds, which are free reserves of the Trust, at a level sufficient to provide for expenditure in future years without reliance on future voluntary income which cannot be guaranteed. In addition, funds are required to cover management and administration costs in order to continue the running of the Trust and also to provide for future capital projects required for the benefit of the community.

The balance held as unrestricted funds at the year-end was £116,788,673 of which £42,128,942 are regarded as free reserves, after allowing for funds tied up in tangible fixed assets and investment properties. The current level of reserves is therefore considered to be sufficient to meet the current and future commitments of the Trust.

Restricted funds comprise £37,173,726 which are represented by the value of various properties gifted to the Trust whose use has been restricted by the donor and also all the Masjids held by the Trust.

Whilst the Trust has sufficient funds to continue its grant making and other activities for the foreseeable future, the Nominees are continually reviewing the long-term plans for the Trust.

Risk management

Risk assessments are carried out in order to ascertain the likelihood of a risk event occurring, of its potential impact and whether any cost-effective mitigating action may be taken.

The principal risks faced by the Trust are:

- Risks relating to the operations and finances of the Trust.
- The performance of its investments. The Trust mitigates this risk by ensuring that its investment properties are maintained to a very high standard and are in prime locations.

Fund raising standards information

The Trust does not actively fundraise and does not hold any agreements with professional fundraisers or commercial participators. The costs of generating funds in the consolidated Statement of Financial Activities comprise solely of property rental costs.

Plans for the future

The policies and purposes of the Trust shall continue under the provisions of the Trust Deed and the Trust aims to continue to provide support to charities and the public at large.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOMINEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

Structure, governance and management

On 1 May 1986, the 52nd al-Dai al-Mutlaq, His Holiness Dr. Syedna Mohammed Burhanuddin^{RA} executed the Deed of Confirmation and Trust of Dawat-e-Hadiyah Trust (United Kingdom). The said Deed of Confirmation and Trust was registered with the Charity Commission of England and Wales on 2 July 1986. The 52nd al-Dai al-Mutlaq, His Holiness Dr. Syedna Mohammed Burhanuddin^{RA}, was then the Sole Trustee of the said Trust.

On 1 July 1993, an Act was incorporated by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons in Parliament, by the name of Dawat-e-Hadiyah Act 1993, incorporating the person who for the time being holds the office of the Dai al-Mutlaq as a Corporation Sole by the name of the Dai al-Mutlaq with perpetual succession. The 52nd al-Dai al-Mutlaq was thus appointed as a Corporation Sole.

In 1996, the said Corporation Sole by the name of the Dai al-Mutlaq was made the Sole Trustee of the Trust.

On the passing of the 52nd al-Dai al-Mutlaq on 17 January 2014, his son and successor Dr. Syedna Mufaddal Saifuddin^{TUS} succeeded as the 53rd incumbent to the office of the Dai al-Mutlaq. Thus, the 53rd al-Dai al-Mutlaq, His Holiness Dr. Syedna Mufaddal Saifuddin^{TUS}, is now the Corporation Sole enacted by the Dawat-e-Hadiyah Act 1993 and as such the Sole Trustee of the Trust.

The Nominees act on behalf of the Dai al-Mutlaq and exercise such powers and perform such functions as are assigned to them by the Dai al-Mutlaq for administering the affairs of the Trust. Hence, the nominees are considered the key management personnel of the Trust. As per the provisions of the Trust Deed, the Dai al-Mutlaq may at any time and from time to time at his sole discretion and pleasure appoint, remove and accept the resignation of a Nominee or Nominees. In selecting new Nominees, the Dai al-Mutlaq ensures that they are respected members of the community with the knowledge and skills to act as Nominees. Nominees are expected to identify their training needs and to take measures to ensure that these needs are met.

The Nominees serving during the year and since the year end are detailed on the legal and administrative information page.

Related parties

The relationship between the Trust and other connected charities is disclosed in note 20 on page 25 of the accounts.

For and on behalf of the Nominees

Nominee – Qaidjoher Ezzuddin

Date: 31/10/2024

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

STATEMENT OF NOMINEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales requires the Nominees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and the Group and of the incoming resources and application of resources of the Trust and the Group for that year.

In preparing these financial statements, the Nominees 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 operation.

The Nominees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Trust and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

INDEPENDENT AUDITOR'S REPORT

TO THE NOMINEES OF DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

Opinion

We have audited the financial statements of Dawat-e-Hadiyah Trust (United Kingdom) (the 'Trust') and its subsidiaries (the 'Group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Group and Trust Balance Sheets, the Consolidated 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and Trust's affairs as at 31 December 2023 and of the Group's incoming resources and application of resources 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 Charities Act 2011.

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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Group and Trust 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 Nominees' 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 Group or Trust'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 Nominees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Nominees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 on this regard.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE NOMINEES OF DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

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 Nominees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the trust's 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 Nominees

As explained more fully in the Statement of Nominees' Responsibilities, the Nominees 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 Nominees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Nominees are responsible for assessing the Group's and Trust'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 Nominees either intend to liquidate or cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 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 an auditor's report 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are those that relate to the reporting framework being FRS102, Charities SORP (FRS 102), Anti-Money Laundering and Charities Act 2011 rules and regulations.
- We understood how the charity is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance. We corroborated our understanding by reviewing supporting documentation.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expenses and review of Nominee meeting minutes.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE NOMINEES OF DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the risk of management override of internal control and by designating incoming resources recognition as a fraud risk. We performed journal entry testing by specific risk criteria, with a focus on journals indicating large or unusual transactions based on our understanding of the business. We tested completeness of income through substantive tests performed, analytical review procedures and cut off tests on the incoming resources recognised.
- Where incoming resources were received from overseas, we requested supporting documentation to ensure that sufficient anti-money laundering documentation was in place.
- The charity is a regulated entity under the supervision of the Charities Commission. As such, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities.

Use of our report

This report is made solely to the Trust's Nominees, 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 Trust's Nominees 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 Trust and the Trust's Nominees as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

Statutory Auditor

31/10/2024 Date

5TH Floor
3 Dorset Rise
London
EC4Y 8EN

TC Group is eligible for appointment as auditor of the Trust by virtue of its eligibility as auditor of a company under of section 1212 of the Companies Act 2006.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 (As restated) £
Income from:					
Donations	2	14,093,428	459,862	14,553,290	19,501,368
Investments	3	1,073,552	-	1,073,552	995,313
Total income		15,166,980	459,862	15,626,842	20,496,681
Expenditure on:					
Raising funds	4	845,464	-	845,464	524,708
Charitable activities	5	11,847,332	-	11,847,332	17,585,844
Total expenditure		12,692,796	-	12,692,796	18,110,552
Net (loss)/gains on investments	10	(828,118)	-	(828,118)	423,000
Net income before transfers		1,646,066	459,862	2,105,928	2,809,129
Gross transfers between funds		459,862	(459,862)	-	-
Net movement in funds		2,105,928	-	2,105,928	2,809,129
Fund balances brought forward		114,682,745	37,173,726	151,856,471	149,616,269
Fund balances carried forward	18	116,788,673	37,173,726	153,962,399	151,856,471

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

BALANCE SHEETS AS AT 31 DECEMBER 2023

	Notes	Group 2023 £	Group 2022 (As restated) £	Trust 2023 £	Trust 2022 (As restated) £
Fixed assets					
Tangible assets	11	56,787,489	55,715,956	56,783,189	55,708,837
Investments	12	55,045,968	54,979,632	54,548,669	54,482,333
		<u>111,833,457</u>	<u>110,695,588</u>	<u>111,331,858</u>	<u>110,191,170</u>
Current assets					
Qardan Hasana receivable:					
Amounts falling due within one year	13	3,079,048	3,821,264	3,079,048	3,821,264
Amounts falling due after more than one year	13	677,683	856,262	677,683	856,262
Other debtors	14	2,061,103	1,277,656	1,738,392	1,268,566
Cash at bank and in hand		38,051,469	36,698,750	38,023,300	35,986,535
Metal, jewellery and other assets		18,072	18,072	18,072	18,072
		<u>43,887,375</u>	<u>42,672,004</u>	<u>43,536,495</u>	<u>41,950,699</u>
Creditors amounts falling due within one year	15	(1,758,433)	(1,511,121)	(895,053)	(290,206)
Net current assets		<u>42,128,942</u>	<u>41,160,883</u>	<u>42,641,442</u>	<u>41,660,493</u>
Total assets less liabilities		<u>153,962,399</u>	<u>151,856,471</u>	<u>153,973,300</u>	<u>151,851,663</u>
The funds of the Charity:					
Restricted funds	16	37,173,726	37,173,726	37,173,726	37,173,726
Unrestricted income funds	17	116,788,673	114,682,745	116,799,574	114,677,937
Total funds	18	<u>153,962,399</u>	<u>151,856,471</u>	<u>153,973,300</u>	<u>151,851,663</u>

The financial statements were approved on behalf of the Dai al-Mutlaq by the Nominees on 31/10/2024 and signed on their behalf by:

Nominee- Qaidjoher Ezzuddin

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023**

		2023		2022	
	Notes	£	£	£	£
Cash flow from operating activities	21		2,357,074		1,162,483
Cash flow from investing activities					
Purchase/improvement of tangible fixed assets		(558,308)		(1,247,024)	
Disposals of investment properties		2,810,000		-	
Improvement of investment properties		(3,484,135)		(796,066)	
Net rents received		228,088		470,605	
Net cash used in by investing activities			<u>(1,004,355)</u>		<u>(1,572,485)</u>
Change in cash and cash equivalents in the year			1,352,719		(410,002)
Cash and cash equivalents brought forward			36,698,750		37,108,752
Cash and cash equivalents at the end of year			<u>38,051,469</u>		<u>36,698,750</u>

Analysis of changes in net debt

The Trust does not have any debt, as such the net debt position is equivalent to the cash at bank and in hand. Changes in the net debt position are equivalent to the movements as shown on the statement of cash flows.

The Group uses the exemption conferred by section 1.12 of FRS102 in not preparing a separate cash flow statement for the Trust as a separate entity.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. Accounting policies

Charity information

Dawat-e-Hadiyah Trust (United Kingdom) ('the Trust') is an unincorporated charity governed by a trust deed. The Trust is registered in England and Wales with The Charity Commission, and its registered office is at 6 Mohammedi Park Complex, Rowdell Road, Northolt, Middlesex, UB5 6AG

The principal accounting policies adopted, and judgements made in the preparation of these financial statements are as follows.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Trust's deed, 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 from 1 January 2019).

These financial statements consolidate the results of the Trust and its wholly owned subsidiaries on a line by line basis. Transactions and balances between the Trust and its subsidiaries have been eliminated from the consolidated financial statements.

The Trust meets the definition of a Public Benefit Entity as defined by FRS 102.

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 Group. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts.

1.2 Going concern

Given the Group's financial position at the year end, the Nominees consider that the Group has sufficient resources to continue in operational existence for the foreseeable future and believe that there are no material uncertainties that call into doubt the ability of the Group to continue as a going concern. The Group therefore continues to adopt the going concern basis in preparation of these consolidated financial statements.

1.3 Key judgements and sources of estimation uncertainty

In the application of the Group's accounting policies, the Nominees 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 and values used 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.

Valuation of investment properties

Investment properties are measured using the fair value model and stated at their estimated fair values on the basis of the open market value as at the reporting end date as determined by the Nominees, but with reference to information obtained from third party experts. The Nominees consider the aggregate valuation at the year-end to be materially accurate at £55,045,968 for the Group and £52,250,898 for the Trust.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

1. Accounting policies (continued)

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the Nominees in furtherance of the Trust's charitable objectives.

Restricted funds comprise the following:

1. The carrying value of various properties gifted to the Trust whose use has been restricted by the donor; and
2. The carrying value of the Masjids held by the Trust.

1.5 Income recognition

All income is recognised once the Group has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

- (i) Where possible, donations are accounted for on a receivable basis. However, it is recognised that voluntary donations from individuals cannot be treated in this manner when there is no contractually enforceable right to donations promised. For this reason, donations from individuals are normally accounted for on a receipts basis.
- (ii) Rental income is accounted for on a receivable basis.
- (iii) Donated assets are recognised when control over the expected economic benefits that flow from the donation has passed to the charity and are included in the financial statements at fair value on the date of acquisition, as determined by the Nominees.

1.6 Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Group to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. Unconditional grant offers are accrued once the recipient has been notified of the grant award.

Governance costs comprise all costs involving the public accountability of the Group and its compliance with regulations and good practice.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.7 Tangible fixed assets and depreciation

All assets costing more than £5,000 are capitalised and stated at cost less depreciation. All assets costing less than £5,000 are expensed. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where there is a permanent diminution in the value of any asset a charge is made to the Statement of Financial Activities.

Tangible fixed assets other than freehold land and buildings are depreciated to write off the cost or valuation less the estimated residual value by annual instalments over their expected useful lives.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

1. Accounting policies (continued)

1.7 *Tangible fixed assets and depreciation - continued*

The following rates are used by the Group:-

Freehold and Long Leasehold properties	Not depreciated
Masjids	Not depreciated
Other buildings	10 years straight line
Fixtures, fittings and equipment	4 – 8 years straight line
Motor vehicles	4 years straight line

No depreciation is provided on the Trust's freehold and long leasehold properties or Masjids. The Nominees are of the opinion that the residual value of the properties at the end of their useful life is expected to be in excess of the carrying value, given that the properties are maintained to a high standard. As a result, any depreciation to be provided is not material over the life of the asset and therefore has not been accounted for.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the statement of financial activities for the year.

1.8 **Investment properties**

Investment properties which are properties held to earn rentals and/or capital appreciation, are measured using the fair value model and stated at their estimated fair values as at the reporting end date as determined by the Nominees, but with reference to information obtained from third party experts. The surplus or deficit on revaluation is recognised on the Statement of Financial Activities.

1.9 **Cash at bank and in hand**

Cash at bank and in hand represents cash held for working capital purposes and in interest free bank current accounts.

1.10 **Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the statement of financial activities for the period.

1.11 **Qardan Hasana**

Qardan Hasana balances (interest free loans) are initially recognised and measured at the amount received or paid with the carrying amount adjusted in subsequent years to reflect repayments and adjusted if necessary for any doubtful debts.

1.12 **Financial instruments**

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.13 **Corporation tax**

The Trust, as a registered charity, is potentially exempt from taxation in respect of its income and gains to the extent that such income or gains are applied exclusively for charitable purposes. The two subsidiaries are however subject to UK corporation tax on their profits, but where possible, donate any taxable profits to the Trust so as to avoid any tax charge arising.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)****2. Donations**

	2023	2022
	£	(as restated)
		£
These comprise:		
Silah-Fitrah	56,002	47,193
Wajebaat including Zakat	12,232,735	14,188,839
Tabarruat	40,698	32,063
Taqarruban	856,162	851,763
Ashara Mubaraka 1444*	459,862	2,570,703
Sanduq Khairiyah	42,972	32,282
Gifted properties	864,859	1,778,525
	<u>14,553,290</u>	<u>19,501,368</u>

*This comprises restricted funds.

3. Investments

This comprises rental income as follows:

	2023	2022
	£	£
United Kingdom	1,063,847	986,396
Overseas	9,705	8,917
	<u>1,073,552</u>	<u>995,313</u>

4. Raising funds

These comprise property rental costs as follows:

	2023	2022
	£	£
Repairs and maintenance	357,709	197,231
Management fees	294,161	179,246
Other property related expenses	193,594	148,231
	<u>845,464</u>	<u>524,708</u>

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

5. Charitable activities

	Grants (note 6)	Other charitable expenditure	Total 2023	Total 2022
	£	£	£	£
Wazaef	-	347,118	347,118	403,108
Depreciation and impairment	-	191,291	191,291	194,200
Niyaz	-	24,684	24,684	77,812
Talimy Imdad	-	105,185	105,185	181,210
Enayat	7,825,577	-	7,825,577	5,408,655
Tibby Imdad	-	435	435	2,595
Manshurat	-	7,763	7,763	-
Madrasah	70,692	-	70,692	57,600
Muvasalat	-	174,326	174,326	94,720
Ashara Mubarakah 1444 *	-	-	-	10,335,474
Rahaesh	-	87,021	87,021	168,817
Tashreef	-	55,216	55,216	6,791
Faiz-ul Mawaid al Burhaniyah	30,508	-	30,508	36,999
Mawaed	-	24,055	24,055	38,382
Muvasat	-	56,259	56,259	66,165
Taamir	-	511,192	511,192	99,876
Loss/(profit) on currency translation	-	1,080,730	1,080,730	(1,132,884)
	<u>7,926,777</u>	<u>2,665,275</u>	<u>10,592,052</u>	<u>16,039,520</u>
Support costs (see note 7)	-	1,033,418	1,033,418	1,128,320
Governance costs (see note 7)	-	221,862	221,862	418,004
	<u>7,926,777</u>	<u>3,920,555</u>	<u>11,847,332</u>	<u>17,585,844</u>
Analysis by				
Restricted	-	-	-	10,335,474
Unrestricted	<u>7,926,777</u>	<u>3,920,555</u>	<u>11,847,332</u>	<u>7,250,370</u>
	<u>7,926,777</u>	<u>3,920,555</u>	<u>11,847,332</u>	<u>17,585,844</u>
For the year ended 31 December 2022				
Restricted funds	-	10,335,474		10,335,474
Unrestricted funds	<u>5,503,254</u>	<u>1,747,116</u>		<u>7,250,370</u>

* This comprises restricted funds.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)****6. Grants**

The grant funding of activities comprised the following:

	2023 £	2022 £
To UK registered charities towards their respective objects	371,718	5,042,498
To overseas charities and other institutions towards their respective objects	7,492,548	455,817
To individuals	62,511	4,939
	<u>7,926,777</u>	<u>5,503,254</u>

Grants to UK registered charities and other institutions comprised the following:

	£	£
Anjuman-e-Burhani (London)	204,950	4,950
The Saiffee Foundation of Europe	80,000	2,100,000
Al-Jameah Al-Sayfiyah Trust	70,692	57,600
Anjuman-e-Badri (Birmingham)	2,651	-
London Borough of Ealing	2,500	-
Anjuman-e-Hamidi (Manchester)	2,470	2,470
Anjuman-e-Hamidi (Milton Keynes)	1,805	5,598
Anjuman-e-Ezzi (Nottingham)	1,430	701,300
Anjuman-e-Jamali (Bradford)	1,200	-
Anjuman-e-Zaini (Croydon)	1,200	-
Other grants	2,820	12,730
Husaini Masjid & Mohammedi Park Management Trust	-	1,955,000
Anjuman-e-Saiffee (Leicester)	-	202,850
	<u>371,718</u>	<u>5,042,498</u>

Grants to overseas charities, and other institutions comprised the following:

	£	£
Saiffee Burhani Upliftment Trust	7,060,988	-
Anjuman-e-Saiffee (New Zealand)	219,847	2,539
Anjuman-e-Saiffee (Melbourne)	160,007	2,812
Anjuman-e-Burhani (Ireland)	25,743	1,014
Stichting Anjuman-e-Ezzi (Netherlands)	22,285	-
Anjuman-e-Burhani (Sydney)	1,852	3,206
Anjuman-e-Burhani (Singapore)	1,826	6,427
Dawat-e-Hadiyiah Trust (Hong Kong)	-	434,200
Other grants less than £1k	-	5,619
	<u>7,492,548</u>	<u>455,817</u>

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

7. Support costs and governance costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Staff costs	700,137	-	700,137	665,472
Depreciation	131,908	-	131,908	172,512
Printing, postage, stationery and telephone	88,720	-	88,720	115,410
Other overheads (heating, rates and service charges)	103,105	-	103,105	165,098
Bank charges	3,235	-	3,235	3,186
Motor expenses	6,313	-	6,313	6,642
Legal and professional fees	-	122,024	122,024	330,960
Audit fees	-	45,000	45,000	42,000
Non-audit fees payable to the auditor	-	54,838	54,838	45,044
	<u>1,033,418</u>	<u>221,862</u>	<u>1,255,280</u>	<u>1,546,324</u>

8. Key management personnel

The Dai al-Mutlaq considers the Nominees to be the key management personnel of the Trust who have been appointed to manage, administer and conduct the day-to-day business and affairs of the Trust. None of the Nominees received any remuneration or reimbursement of expenses during the year.

9. Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Amils and Moallims	24	29
Management and administration	19	17
	<u>43</u>	<u>46</u>

	2023 £	2022 £
Employment costs		
Wazaef, wages and salaries	996,782	1,026,821
Social security costs	85,313	91,493
Pension contributions	3,390	2,993
	<u>1,085,485</u>	<u>1,121,307</u>

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

Defined contribution schemes

The Trust operates a defined pension scheme for all qualifying employees, where employees have not opted out.

The charge to the statement of financial activities in respect of defined contribution schemes for the year was £3,390 (2022: £2,993).

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)**

10. Net (loss)/gains on investments

	2023	2022
	£	£
Unrealised (loss)/gains on the revaluation of investment properties	(607,799)	423,000
Loss on sale of investment property	(220,319)	-
	<u>(828,118)</u>	<u>423,000</u>

11. Tangible fixed assets

Group

	Land and buildings (As restated) £	Masjids £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2023	29,726,264	28,732,998	2,075,394	49,702	60,584,358
Additions	1,423,167	-	-	-	1,423,167
At 31 December 2023	<u>31,149,431</u>	<u>28,732,998</u>	<u>2,075,394</u>	<u>49,702</u>	<u>62,007,525</u>
Depreciation					
At 1 January 2023	3,154,128	-	1,694,478	19,796	4,868,402
Charge for the year	191,291	-	151,244	9,099	351,634
At 31 December 2023	<u>3,345,419</u>	<u>-</u>	<u>1,845,722</u>	<u>28,895</u>	<u>5,220,036</u>
Net book value					
At 31 December 2023	<u>27,804,012</u>	<u>28,732,998</u>	<u>229,672</u>	<u>20,807</u>	<u>56,787,489</u>
At 31 December 2022	<u>26,572,136</u>	<u>28,732,998</u>	<u>380,916</u>	<u>29,906</u>	<u>55,715,956</u>

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

11. Tangible fixed assets (continued)

Trust	Land and buildings (As restated) £	Masjids £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2023	29,726,264	28,732,998	2,053,214	49,702	60,562,178
Additions	1,423,167	-	-	-	1,423,167
At 31 December 2023	31,149,431	28,732,998	2,053,214	49,702	61,985,345
Depreciation					
At 1 January 2023	3,154,128	-	1,679,417	19,796	4,853,341
Charge for the year	191,291	-	148,425	9,099	348,815
At 31 December 2023	3,345,419	-	1,827,842	28,895	5,202,156
Net book value					
At 31 December 2023	27,804,012	28,732,998	225,372	20,807	56,783,189
At 31 December 2022	26,572,136	28,732,998	373,797	29,906	55,708,837

Included in the above amounts are properties that are being used for the advantage and benefit of the Dawoodi Bohra Jamaats (congregations) of London, Leicester, Manchester, Birmingham, Bradford, Nottingham, Croydon, Dublin, Sydney, Melbourne and Toronto. For the better administration and management of these Jamaats, several charitable and religious organisations (Anjumans) have been established for each Jamaat. In furtherance of the objects of Dawat-e-Hadiyah Trust (United Kingdom), the Sole Trustee has entrusted certain properties to the said Anjumans for their administration, supervision and management to facilitate religious, social, charitable, educational and cultural activities of the respective Jamaats and, where pertinent, to receive rental income.

As the properties are entrusted to the Anjumans, any rents and other income derived from these properties and outgoings, utilities, rates and taxes in connection with these properties are not reflected in these accounts but are instead shown in the individual accounts of the respective Anjumans.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

12. Investments

Group	Investment properties £
Value at 1 January 2023	54,979,632
Additions	3,484,135
Disposals	(2,810,000)
Revaluation	(607,799)
Value at 31 December 2023	55,045,968

Trust	Investment Properties £	Investment in subsidiaries £	Total £
Value at 1 January 2023	52,184,562	2,297,771	54,482,333
Additions	3,484,135	-	3,484,135
Disposals	(2,810,000)	-	(2,810,000)
Revaluation	(607,799)	-	(607,799)
Value at 31 December 2023	52,250,898	2,297,771	54,548,669

The investment properties are stated in the financial statements at the Nominees' estimate of the market value at the balance sheet date.

Subsidiary companies

The Trust owns the entire issued share capital of Rowdell Road Properties Limited ('Rowdell'), a company registered in England and Wales (07358241). Rowdell is engaged in property investment.

A summary of the results of Rowdell is shown below:

	2023 £	2022 £
Revenue	81,444	8,914,773
Administrative expenses	(97,153)	(8,839,913)
(Loss)/profit before taxation	(15,709)	74,860
Distribution to parent Trust	-	(70,365)
Taxation	-	-
Retained (loss)/profit for the financial year	(15,709)	4,495

The aggregate of the assets, liabilities and equity of Rowdell at the year-end was:

Assets	3,321,527	3,735,330
Liabilities	(1,034,661)	(1,432,755)
Equity	2,286,866	2,302,575

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

12. Investments (continued)

The Trust also owns the entire issued share capital of Glebe IP Private Limited ('Glebe'), a company registered in England and Wales (11647356). Glebe is engaged in the management of intellectual property.

A summary of the results of Glebe is shown below:

	2023 £	2022 £
Revenue	1,558	1,530
Administrative expenses	(1,558)	(1,530)
Profit before taxation	-	-
Taxation	-	-
Profit for the financial year	-	-

The aggregate of the assets, liabilities and equity of Glebe at the year-end was:

	2023 £	2022 £
Assets	2	2
Liabilities	-	-
Equity	2	2

13. Qardan Hasana receivable

Group and Trust

	2023			2022		
	Due within one year £	Due after more than one year £	Total £	Due within one year £	Due after more than one year £	Total £
Due from third parties	1,074,216	566,162	1,640,378	1,156,654	57,500	1,214,154
Due from connected charities	2,004,832	111,521	2,116,353	2,664,610	798,762	3,463,372
	<u>3,079,048</u>	<u>677,683</u>	<u>3,756,731</u>	<u>3,821,264</u>	<u>856,262</u>	<u>4,677,526</u>

14. Other Debtors

	Group		Trust	
	2023 £	2022 £	2023 £	2022 £
Prepayments and accrued income	1,583,542	880,291	1,460,690	877,951
Other debtors	447,044	397,365	106,423	178,777
Taxation and social security	30,517	-	-	-
Amounts due from fellow group undertakings	-	-	171,279	211,838
	<u>2,061,103</u>	<u>1,277,656</u>	<u>1,738,392</u>	<u>1,268,566</u>

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

15. Creditors: amounts falling due within one year

	Group		Trust	
	2023	2022	2023	2022
	£	£	£	£
Accruals and deferred income	207,687	359,305	194,551	185,878
Taxation and social security	19,662	329,590	19,662	20,292
Other creditors	1,531,084	822,226	680,840	84,036
	<u>1,758,433</u>	<u>1,511,121</u>	<u>895,053</u>	<u>290,206</u>

16. Restricted funds

The funds of the Trust include restricted funds comprising the following unexpended balances of donations held on trust for specific purposes.

	Balance as at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers between funds £	Balance as at 31 December 2023 £
Masjids	28,732,998	-	-	-	28,732,998
Bonham House	8,440,728	-	-	-	8,440,728
Ashara Mubaraka	-	459,862	-	(459,862)	-
	<u>37,173,726</u>	<u>459,862</u>	<u>-</u>	<u>-</u>	<u>37,173,726</u>

	Balance as at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers between funds £	Balance as at 31 December 2022 £
Masjids	28,732,998	-	-	-	28,732,998
Bonham House	8,440,728	-	-	-	8,440,728
Ashara Mubaraka	-	2,570,703	(10,335,474)	7,764,771	-
	<u>37,173,726</u>	<u>2,570,703</u>	<u>(10,335,474)</u>	<u>7,764,771</u>	<u>37,173,726</u>

Masjids – Masjids cannot be sold, gifted or inherited once constructed and therefore they are shown as restricted assets.

Bonham House – Certain flats situated at Bonham House, London have been donated exclusively for the use of His Holiness, the Dai al-Mutlaq, his family and entourage.

Ashara Mubaraka – Donations received, and expenses incurred in relation to the Ashara Mubaraka 1444 event held in July 2022.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

17. Unrestricted funds

The unrestricted funds of the Trust comprise those funds which nominees are free to use for any purpose in furtherance of the charitable objects.

	Balance as at 1 January 2023	Incoming resources	Resources expended	Transfers between funds	Gains and (losses)	Balance as at 31 December 2023
	£	£	£	£		£
General fund	114,677,937	15,545,398	(12,595,643)	-	(771,814)	116,855,878
	<u>114,677,937</u>	<u>15,545,398</u>	<u>(12,595,643)</u>	<u>-</u>	<u>(771,814)</u>	<u>116,855,878</u>
	Balance as at 1 January 2022	Incoming resources (as restated)	Resources expended	Transfers between funds	Gains and (losses)	Balance as at 31 December 2022 (as restated)
	£	£	£	£		£
General fund	111,873,303	17,887,580	(7,741,175)	(7,764,771)	423,000	114,677,937
	<u>111,873,303</u>	<u>17,887,580</u>	<u>(7,741,175)</u>	<u>(7,764,771)</u>	<u>423,000</u>	<u>114,677,937</u>

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)****18. Analysis of net assets between funds**

Group	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2023 are represented by:			
Tangible fixed assets	19,613,763	37,173,726	56,787,489
Investments	55,045,968	-	55,045,968
Current assets	43,887,375	-	43,887,375
Creditors: amounts falling due within one year	(1,758,433)	-	(1,758,433)
	<u>116,788,673</u>	<u>37,173,726</u>	<u>153,962,399</u>

Trust	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2023 are represented by:			
Tangible fixed assets	19,609,463	37,173,726	56,783,189
Investments	54,548,669	-	54,548,669
Current assets	43,536,495	-	43,536,495
Creditors: amounts falling due within one year	(895,053)	-	(895,053)
	<u>116,799,574</u>	<u>37,173,726</u>	<u>153,973,300</u>

19. Grants Commitments**Group and Trust**

During the year the Trust paid grant commitments of £7,926,777 (2022: £5,578,254). There are no outstanding grant commitments at the year end and in the previous year.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

20. Related party transactions

By virtue of significant influence, the Trust is related to various connected charities. During the year, the following transactions took place with these related parties:

	2023			2022		
	Grants and donations payable	Debtors	Creditors	Grants and donations payable	Debtors	Creditors
	£	£	£	£	£	£
Al-Jameah Al-Saifiyah Trust	70,692	4,208	-	57,600	2,104	-
Anjuman-e-Saifee (New Zealand)	223,010	2,483	-	9,703	229,718	-
Anjuman-e-Badri (Birmingham)	3,904	152,750	-	-	164,750	-
Anjuman-e-Burhani (London)	236,900	103,250	-	76,320	120,000	-
Anjuman-e-Hamidi (Manchester)	2,470	-	-	4,423	-	-
Anjuman-e-Saifee (Melbourne)	167,372	267,652	-	8,140	988,142	-
Anjuman-e-Zainee (Croydon)	3,480	652,000	-	3,990	652,000	-
Anjuman-e-Ezzi (Nottingham)	1,902	25,000	-	704,050	25,000	-
The Saifee Foundation of Europe	80,000	-	2,833	2,100,000	-	3,333
The Saifee Burhani Upliftment Trust	7,060,988	-	-	-	-	-
Anjuman-e-Saifee (Leicester)	-	980,003	-	202,850	1,306,003	-
Other connected parties	98,294	16,227	-	37,482	14,667	-
Husaini Masjid and Mohammedi Park Management Trust	-	-	-	1,955,000	-	-
Dawat-e-Hadiyah Trust (Hong Kong)	-	-	-	434,200	-	-

The Trust received unconditional donations and other income of £1,555,000 (2022: £611,901) from connected charities and other parties during the year.

A salary (Wazaef) of £20,400 (2022: £20,400) was paid to a son of one of the Nominees for services provided during the year.

Certain residential properties owned by the Trust are made available for use by the Dai al-Mutlaq, the Nominees and their respective families whilst they are in the UK fulfilling their duties on behalf of the Trust.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)

21. Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Surplus for the year	2,105,928	2,809,129
Adjustments for:		
Rental income	(1,073,552)	(995,313)
Rental expenses	845,464	524,708
Donated fixed assets	(864,859)	(1,778,525)
Loss/(gain) on revaluation of investment properties	607,799	(423,000)
Depreciation of tangible fixed assets	351,634	389,870
Properties donated to related Trust	-	434,200
Movements in working capital:		
Decrease/(increase) in debtors	137,348	(133,697)
Decrease in creditors	247,312	335,111
Net cash provided by operating activities	2,357,074	1,162,483

22. Prior year adjustment

In December 2022, the Trust was gifted a property in Australia with a valuation at that date of £568,927 (AUD\$1,085,000) which had not been recognised in the financial statements. The comparative figures have therefore been restated to reflect the gift. A reconciliation of this reinstatement and the effect on the reserves is set out below.

	As previously reported at 31 December 2022 £	Adjustment £	As restated at 31 December 2022 £
Changes to the statement of financial statements			
Group Income			
Donations	18,932,441	568,927	19,501,368
Fixed assets			
Land and buildings cost carried forward	29,157,337	568,927	29,726,264
Funds			
Unrestricted funds carried forward	114,113,818	568,927	114,682,745
Total funds carried forward	151,287,544	568,927	151,856,471
Trust			
Fixed assets			
Land and buildings cost carried forward	29,157,337	568,927	29,726,264
Funds			
Unrestricted funds carried forward	114,109,010	568,927	114,677,937
Total funds carried forward	151,282,736	568,927	151,851,663

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 - (CONTINUED)**

23. Subsequent event

On 22 July 2024, the roof of one of the investment properties was severely damaged by fire and it is estimated that the repair costs will be approximately £500,000. Due to tenets of the Dawoodi Bohra faith, the property was uninsured and as a result, the Trust will bear the entire repair costs.

DAWAT-E-HADIYAH TRUST (UNITED KINGDOM)

GLOSSARY

Amil:	Minister of religion deputed to various cities, towns and districts
Anjuman:	An administrative unit, established under the guidance and direction of al-Dai al-Mutlaq to organise and manage the affairs of the Dawoodi Bohra Jamaat of a particular area
Ashara Mubarakah	A period of 10 days at the start of the new year for the commemoration of the Martyrdom of Imam Husain (SA)
Darul Emarat:	Amil's residence
Enayat:	Grants
Faiz-ul Mawaid al Burhaniyah:	Free of charge food served to the community prepared and organized by the community kitchen
Imdad-e-Ghurbatzadah:	Relief of poverty
Imdad-e-Taklifzadah:	Relief in distress
Jamaat:	Local congregation
Jamaatkhana:	Banquet Hall
Laagat:	Prescribed contribution
Madrasah:	Religious school
Manshurat:	Publications
Markaz:	Community centre
Masjid:	Mosque
Mawaed:	Conventional meals served to the officers and staff
Moallim:	Religious teacher
Mohammedi Park Complex:	Husaini Masjid, Madrasah, Jamaatkhana, administrative offices and 22 residential houses situated at Mohammedi Park Complex, Rowdell Road, Northolt, Middlesex UB5 6AG
Muvasalat:	Transportation for Dawat's personnel
Muvasat:	Charitable assistance
Niyaz:	Religious feasts
Qardan Hasana:	Interest free loan
Rahaesh:	Boarding facility / accommodation
Rifah-e-Aam:	General public utility
Sadaqat-us-Syr:	Alms given secretly
Saheb-e-Dawat:	Special emissaries of His Holiness sent on a special mission to various cities, towns, districts and countries
Sanduq Khairiyah:	Community Chest
Silah-Fitrah:	Prescribed religious offerings
Taamir:	Building, construction, restoration, repair and structural work
Tabarruat:	Offertory
Talimy Imdad:	Educational aid
Taqarruban:	Conventional contribution offered by the various organisations of Jamaats and individuals
Tashreef:	Blessed gift
Tibby Imdad:	Medical aid
Wajebaat including Zakat:	Obligatory religious offerings
Wazaef:	Emoluments paid to ministers of religion

