

Charity No. 512810

**AHL-E-SUNNAT WA JAMAAT  
BAREILVI OF BIRMINGHAM**

(a charity established by trust deed)

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

# **AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM**

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# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report and financial statements for the year ended 31 March 2023. The Trustees confirm that the annual report and financial statements of the charity comply with the requirements of the charity's governing document, the Charities Act 2011, the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 01 January 2021).

## REFERENCE AND ADMINISTRATIVE INFORMATION

**Charity number:** 512810

**Registered office:** 179 - 181 Woodlands Road  
Sparkhill  
Birmingham  
B11 4ER

<b>Trustees:</b>	Mohammad Hafeez	Chair
	Mohammed Yaseen	Vice Chair
	Shamraiz Hussain	Secretary
	Anjad Ali Sadiq	Vice Secretary
	Shah Nawaz	Treasurer
	Nazar Hussain	Vice Treasurer
	Ashfaq Ahmed	
	Azim Khan	
	Nawaz Hussain	
	Mohammad Sadique	
	Yusuf Abdalla Mukadam	
	Shah Nawaz (2)	
	Qamar Zaman	
	Safdar Talib	
	Jehangir Bashir	
	Majid Hussain	
	Mehrbani Ali	
	Abad Hussain	
	Liaqat Ali	(appointed on: 01/08/2022)
	Munir Hussain	(appointed on: 01/08/2022)
	Matloub Hussain	(appointed on: 01/08/2022)

**Senior Management Team:** Trustees make up the Senior Management Team and are unpaid.  
All employees are part of delivery teams and not management.

**Independent Examiner:** Mohammad Ansari  
Ansari & Co  
Kings Court, 17 School Road  
Birmingham  
B28 8JG

**Bankers:** Lloyds Bank Plc  
Kitts Green  
Birmingham  
B26 3JW

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Governing document

The Charity (which has the working names of 'Jamatia Islamic Centre' and 'JIC Woodlands') was established by a charitable trust deed on 11 July 1982 and last amended on 08 November 2020. The full name of the charity is AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM and was registered with the Charity Commission on 07 September 1982 (Charity Number: 512810).

#### Recruitment and appointment of trustees

The Charity is governed through a Trustee Board. Trustees who have held office during the year are listed on page 3.

Trustees are elected to the Board for a maximum period of three AGMs and are appointed by a resolution of its members at an AGM. All of the Charity's property and immovable assets are vested in the Trustees. The Trustees shall not sell, exchange, mortgage or otherwise deal with or dispose of any property or asset of the Charity unless approved by two-thirds of the members present and voting at an Extraordinary General Meeting specially called for the purpose of passing such a resolution.

#### Trustee induction and training

New trustees are briefed on their legal obligations under charity law, the content of the Trust deed, the committee and decision-making processes, annual budget and recent financial performance of the charity. They also meet key employees and other trustees. Trustees are expected to be respected members of the community who are proponents of Islam as understood through the Ahl-e-Sunnat Wa Jamaat and Bareilvi understandings of the faith.

#### Related parties

There are no related party transactions in the year or the prior year.

#### Key risks and uncertainties

The Trustees actively review the major risks which the Charity faces on a regular basis, in particular those relating to its operations and finances. They are satisfied that systems are in place to mitigate the charity's exposure to the major risks. The risk management strategy comprises:

- A regular review of the risks which the Charity may face;
- The adequacy of current systems and procedures to mitigate those risks identified in the strategy; and
- The implementation of procedures designed to minimise any potential risk on the Charity should any of those risks materialise.

The strategy will be reviewed regularly by the Trustees.

#### Trustees

None of the trustees receive any remuneration from the charity

#### Pay and remuneration of senior staff

Levels of salary for senior staff are reviewed annually and the key management personnel are the trustees who are not paid any remuneration.

# **AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM**

## **TRUSTEES' REPORT**

FOR THE YEAR ENDED 31 MARCH 2023

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### **STRUCTURE, GOVERNANCE AND MANAGEMENT (cont.)**

#### **Fundraising activities**

The Charity had no significant fundraising costs in the year but raised funds from voluntary donations received from regular donors as well as donations received from beneficiaries who come to Mosque events and prayers.

#### **OBJECTIVES AND ACTIVITIES**

The objects of the charity are the advancement of the Islamic religion in accordance with the doctrines of the Ahl-e-Sunnat Wa Jamaat Bareilvi faith. In furtherance of these objects, but not otherwise, the charity shall also:

- a) Arrange and provide religious functions and religious education;
- b) Perform marriage ceremonies, burial rites, all in accordance with the Ahl-e-Sunnat Wa Jamaat Bareilvi;
- c) Co-ordinate and unify the customs, conventions and observances of the Ahl-e-Sunnat Wa Jamaat Bareilvi;
- d) Raise funds and invite and receive contribution from any person or persons whatsoever by way of subscriptions, donations or otherwise provided that the charity shall not undertake any permanent trading activities in raising funds for its charitable objects;
- e) Handle and manage at its own discretion but in accordance with the English Law charitable trusts of members that have been handed over to the charity for their management;
- f) Work in harmony with other Ahl-e-Sunnat Wa Bareilvi Jamaats;
- g) Buy, rent or build centres, mosques and such other institutions as may be necessary from time to time for the furtherance of the objects of the charity. Any centres such bought, rented or built to be named as Jamatia Islamic Centre;
- h) Do all such other things as are necessary to the attainment of the above-mentioned objects.

#### **HOW OUR ACTIVITIES DELIVER PUBLIC BENEFIT**

The Charity promotes the benefit of the Muslim community by promoting Islam and Islamic education, relieving poverty and distress and by providing facilities for the protection of health and recreation with the aim of improving the conditions of the Muslim community as an expression of faith.

The direct benefits which can flow from this purpose are:

- To provide, maintain and equip religious facilities and places of worship which will help the Muslim community in their religious and educational life;
- To enable members of the Muslim community to integrate within the wider society and to participate fully in public and economic life within Birmingham;
- To bring a better understanding of Muslims and their traditions to the wider society in order to achieve good relations between the Muslim community and others;
- To initiate interfaith and intercommunity dialogue in order to disseminate correct knowledge about Islam and to help differentiate cultural practices from religious practices;
- To promote tolerance between people of different ethnic backgrounds/cultures and to increase equality of opportunity and equal protection amongst them.

These benefits will be evidenced through feedback from the beneficiaries of the courses, classes and religious activities, membership lists, progress reports that are sent to funders and the annual report that is shown in the AGM.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

# **AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM**

## **TRUSTEES' REPORT**

FOR THE YEAR ENDED 31 MARCH 2023

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### **ACHIEVEMENTS AND PERFORMANCE**

#### **Mosque & Academy extension**

Following the approval of the new planning permission, where all the conditions were met, the committee then began a campaign to generate funds for the extension of the premises of the charity to include a Youth Centre, an Elderly Day Centre, a purpose-built Islamic Education Centre, better prayer facilities for ladies and sitting area for bereavements.

A construction contract was given to Tili Builders and the work commenced. The completion of the work will make the Mosque an iconic building in this vicinity and provide greater services to the community. The complete project is likely to cost between £1.5m - £2m in total. We hope to complete the work by the summer of 2024 (2-year project).

Upon inspection the existing steels were considered not to meet the required standards to build a second or third storey, which resulted in a complete new steel structure being erected. There is still a considerable amount of work to be conducted and all funds generated are being deployed on the daily operational costs and the re-build.

We have taken interest-free loans from the donor community, which will eventually be repaid after the project has been completed and funds re-generated. This, in the history of JIC is by far the most major project which resulted in a complete overhaul of the charity's premises. It is believed that the current difficulties faced will pay greater dividends to the community in the future.

#### **Properties and the Charity**

Two of the properties, namely, 179 and 181 Woodlands Road, Sparkhill, Birmingham, are registered at the Land Registry in the name of the Trustees of the Jamatia Trust.

The Management Committee have been successful in obtaining the written agreement of the existing Trustees of Jamatia Islamic Centre (the charity) and the Trustees of Jamatia Trust to merge the two sets of properties into the Charity. The Jamatia Islamic Centre constitution has been amended with members' approval. Solicitors have been instructed to merge the properties and to deal with the conveyance. This is a long-standing issue that has been resolved by the Management Committee with members' approval. This will strengthen the financial affairs of Jamatia Islamic Centre, as it will now acquire the legal title of two further properties, namely 179 and 181 Woodlands Road.

#### **Madrassah and Mosque activities**

Despite the obvious difficulty of running our normal services whilst such extensive building work is being carried out on the building, the Charity continued to run its daily prayers for the community and continued to run its Madrassah Academy classes also, moving classes and children to safe areas where the work was not being done.



# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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### REVIEW OF FINANCIAL POSITION

During the 2022/23 financial year, the Charity delivered a financial surplus of £133,190 (2021/22: surplus of £120,327). This surplus arose primarily thanks to a donation drive for the extension work on the Mosque building. Income overall increased by 12.6% to £371,939 compared to £330,337 in 2021/22, while over the same period expenditure increased by 13.7% to £238,749 from £210,010 in 2021/22, due mainly to an increase in staff and premises costs after the Madrassah Academy teachers as the student numbers grow again post-lockdown.

Expenditure on fixed assets capitalised during the year amounted to £745,085 (2021/22: £74,069), in congruence with our capitalisation policy. Fixed assets are used for charitable purposes and enable staff and volunteers to provide an optimum service to our beneficiaries.

There is an end of year restricted fund balance of £1,934 (2021/22: £1,909). This is accounted for by £1,684 left for the on-going Giarvi sharif events the Mosque runs and £250 for Sadaqah Wajibah donations. Both fund are expected to be fully spent by March 2024.

### Reserves Policy

The Trustee Board reviews and updates its reserves policy annually to ensure its compliance with Charity Commission best practice. This requires reserves to be available to cover future contingencies and liabilities. The Reserves Policy requires at least three months' expenditure to be held as unrestricted designated funds, equating to £59,505 at expected 2023/24 expenditure levels. The Charity also has a designated fund of £1,796,371 for tangible fixed assets which are not readily available funds for the use of the Charity. The unrestricted and undesignated general free reserves at 31 March 2023 was a negative -£201,012 (2022: £389,181) after designating reserves of £1,855,876 (2022: £1,132,518). Restricted reserves at the end of the year amount to £1,934 (2022: £1,909).

### Going Concern

The Charity reported a significant cash outflow of £303,200 for the year due to the building work on the Mosque and Academy building but the Charity expects to make an inflow in 2023/24 due to on-going fundraising efforts. Whilst there is still significant work to be completed on the Mosque extension, fundraising for this continues and a lot of funds were raised and received in the Ramadan fundraising done straight after this year end.

Despite there being a negative general funds situation, after making further appropriate enquiries, together with known fundraising results done after year end, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and at least twelve months from the date of signing this report, as required. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

### Political Donations

No donations of monies or donated goods were made to any political parties or political campaigns in the year (2021/22: £NIL).

### FUTURE PLANS

The management committee will continue their fundraising drive to raise funds for the extension work to include a Youth Centre, an Elderly Day Centre, a purpose-built Islamic Education Centre, better prayer facilities for ladies, sitting area for bereavements and facilities to make a future application for funeral services. We expect the work to finish by the Summer of 2024.

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are required to prepare financial statements for each financial year in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which give a true and fair view of the state of affairs of the Charity and the incoming resources and application of resources, including the net income and expenditure for the year. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- 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 adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and all other applicable law. They 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.

### Accounts preparation

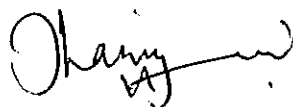
The Trustees confirm that the accounts comply with current statutory requirements, and with those of the governing instrument.

The Trustees' report was approved by the board, authorised for issue on 22 August 2023, and signed on its behalf by,

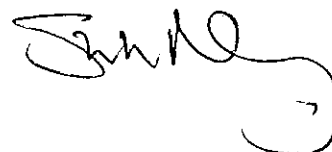
**Mohammed Hafeez**  
Chair



**Shamraiz Hussain**  
Secretary



**Shah Nawaz**  
Treasurer



# **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM**

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I report on the financial statements of the charity for the year ended 31 March 2023 which is set out on pages 10 to 26.

This report is made solely to the charity's Trustees, as a body, in accordance with section 145 and the regulations made under section 154 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work, for this report, or for the opinions I have formed.

## **Respective Responsibilities of Trustees and Examiner**

The Trustees are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under charity law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention

## **Basis of Independent Examiner's Report**

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the Trustees, concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the financial statements.

## **Independent Examiner's Statement**

In the course of my examination, no matter has come to my attention:-

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 130 of the Act; and
  - to prepare financial statements which accord with the accounting records and comply with accounting requirements of the Act and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Mohammad Ansari

Dated: 22 August 2023

**Ansari & Co - Charity Accountants & Consultants**  
Kings Court, 17 School Road, Birmingham, B28 8JG

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Note	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
<b>Income from:</b>							
Donations and legacies	2	134,567	185,618	320,185	254,714	674	255,388
Charitable activities	3	46,357	-	46,357	61,522	-	61,522
Activities for generating funds	4	5,397	-	5,397	12,974	-	12,974
Other income	5	-	-	-	453	-	453
<b>Total income</b>		<b>186,321</b>	<b>185,618</b>	<b>371,939</b>	<b>329,663</b>	<b>674</b>	<b>330,337</b>
<b>Expenditure on:</b>							
Raising funds	6	728	-	728	656	-	656
Charitable activities	7,8	237,571	450	238,021	207,626	1,405	209,031
Other expenditure	9	-	-	-	323	-	323
<b>Total expenditure</b>		<b>238,299</b>	<b>450</b>	<b>238,749</b>	<b>208,605</b>	<b>1,405</b>	<b>210,010</b>
<b>Net income/(expenditure) before transfer</b>		<b>(51,978)</b>	<b>185,168</b>	<b>133,190</b>	<b>121,058</b>	<b>(731)</b>	<b>120,327</b>
<b>Transfers between funds</b>	18,19	<b>185,143</b>	<b>(185,143)</b>	<b>-</b>	<b>53,947</b>	<b>(53,947)</b>	<b>-</b>
<b>Net movement in funds</b>		<b>133,165</b>	<b>25</b>	<b>133,190</b>	<b>175,005</b>	<b>(54,678)</b>	<b>120,327</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward at 01 April 2022		1,521,699	1,909	1,523,608	1,346,694	56,587	1,403,281
<b>Total funds carried forward at 31 March 2023</b>		<b>1,654,864</b>	<b>1,934</b>	<b>1,656,798</b>	<b>1,521,699</b>	<b>1,909</b>	<b>1,523,608</b>

The statement of financial activities includes all gains and losses in the current and comparative year. All income and expenditure derive from continuing activities.

The notes on pages 13 to 25 form part of these financial statements.

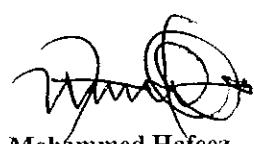
# **AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM**

## **BALANCE SHEET**

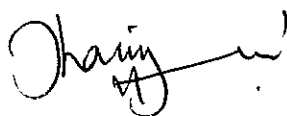
As at 31 March 2023

		2023		2022	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		1,796,371		1,080,015
<b>Current assets</b>					
Debtors	15	5,875		9,704	
Cash at bank and in hand	26	142,412		445,612	
		148,287		455,316	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	16	(287,860)		(11,723)	
<b>Net current assets</b>			(139,573)		443,593
<b>Total net assets</b>			1,656,798		1,523,608
<b>Funds of the charity</b>					
Unrestricted funds:	18				
General funds		(201,012)		389,181	
Designated funds		1,855,876		1,132,518	
			1,654,864		1,521,699
Restricted funds	19		1,934		1,909
<b>Total charity funds</b>	20		1,656,798		1,523,608

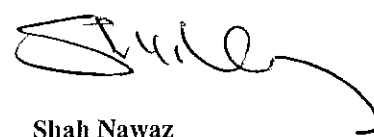
The financial statements have been prepared in accordance with the provisions of FRS 102 Section 1A – small entities. The accounts were approved by the Board, authorised for issue on 22 August 2023, and signed on its behalf by,



**Mohammed Hafeez**  
Chair



**Shamraiz Hussain**  
Secretary



**Shah Nawaz**  
Treasurer

The notes on pages 13 to 25 form part of these financial statements.

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	23	441,885	141,048
<b>Cash flows from investing activities:</b>			
Less: Purchase of fixed assets additions in the year	14	(745,085)	(74,069)
<b>Net cash provided by investing activities</b>		<b>(745,085)</b>	<b>(74,069)</b>
Increase / (decrease) in cash and cash equivalents in the reporting period		<b>(303,200)</b>	66,979
Cash and cash equivalents at the beginning of the reporting period		<b>445,612</b>	378,633
<b>Cash and cash equivalents at the end of the reporting period</b>	24	<b>142,412</b>	445,612

The notes on pages 13 to 25 form part of these financial statements.

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM is a charity established by Trust deed and registered with the Charity Commission under number: 512810. The registered office address: 179 - 181 Woodlands Road, Sparkhill, Birmingham, B11 4ER.

### **1 Accounting Policies**

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

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 2021) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are prepared in Sterling and rounded to the nearest £1.

#### **1.2 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### **1.3 Income**

All income is included in the statement of financial activities when the charity is entitled to the funds and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Voluntary income is received by way of grants, donations and gifts, including gift aid income where applicable, and is included in full in the statement of financial activities when receivable. Income from government and other grants, where related to performance and specific deliverables, are accounted for when it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Donated services and facilities are included at the value to the charity where this can be quantified and is material. The value of services provided by volunteers has not been included in these accounts.

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting Policies (continued)

#### 1.4 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates. Expenditure on raising funds; comprise the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. The primary functional activity of the charity is the giving of free and confidential advice to the public. It includes both costs that can be allocated directly to this activity and those costs of an indirect nature necessary to support them.

Support costs include all those overhead costs of office and bureau accommodation, utility services, and other services and costs, which are in support of the activity. They also include those costs not associated with the other two headings and includes costs of meeting the constitutional and statutory requirements of the charity, the audit fees and costs linked to the strategic management of the charity. They have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. staff costs by time spent and other costs by estimated usage.

#### 1.5 Operating leases

The charity classifies the lease of property as operating leases; the title to the property remains with the lessor. Rental charges are charged on a straight-line basis over the term of the lease.

#### 1.6 Tangible fixed assets and depreciation

All assets individually costing more than £1,000 are capitalised.

Tangible fixed assets other than freehold land are stated at cost less depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Freehold land and buildings	1% on the straight-line method-commencing year after acquisition
WIP Building	0% - Capitalisation of extension work to existing Mosque building. Value will be transferred to Freehold land and buildings once complete.
Furniture & equipment	20% on the straight-line method
Fixtures & fittings	20% on the straight-line method

#### 1.7 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### 1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.



# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting Policies (continued)

#### 1.9 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

#### 1.10 Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 1.11 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the Financial Statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Land & buildings - The trustees are not using the revaluation method for valuation of land & buildings at present. They may decide to do so once the new extension work is complete. Values are therefore based on historical cost.

The trustees consider that there are no significant areas of key judgement or estimation uncertainty other than those identified in the accounting policies above.

#### 1.12 Going concern

The Charity reported a significant cash outflow of £303,200 for the year due to the building work on the Mosque and Academy building but the Charity expects to make an inflow in 2023/24 due to on-going fundraising efforts. Whilst there is still significant work to be completed on the Mosque extension, fundraising for this continues and a lot of funds were raised and received in the Ramadan fundraising done straight after this year end.

Despite there being a negative general funds situation, after making further appropriate enquiries, together with known fundraising results done after year end, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and at least twelve months from the date of signing this report, as required. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 2 Donations & legacies

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
General donations & gifts	63,082	-	63,082	166,558
Friday collections	69,983	-	69,983	63,910
Extension appeal	-	185,143	185,143	-
Sadaqah Wajibah donations	-	250	250	-
Giarvi sharif donations	-	225	225	674
Gift aid	1,502	-	1,502	24,246
	<u>134,567</u>	<u>185,618</u>	<u>320,185</u>	<u>255,388</u>

### 3 Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
<b>Mosque:</b>				
Marriage, divorce and other advice services	2,430	-	2,430	3,330
Radio Azaan	810	-	810	1,450
	<u>3,240</u>	<u>-</u>	<u>3,240</u>	<u>4,780</u>
<b>Academy:</b>				
School fees	33,242	-	33,242	44,193
	<u>33,242</u>	<u>-</u>	<u>33,242</u>	<u>44,193</u>
<b>Other:</b>				
Membership fees	8,675	-	8,675	11,649
Rag collection	1,200	-	1,200	900
	<u>9,875</u>	<u>-</u>	<u>9,875</u>	<u>12,549</u>
<b>Total income from charitable activities</b>	<u>46,357</u>	<u>-</u>	<u>46,357</u>	<u>61,522</u>

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 4 Activities for generating funds

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Rental income	5,397	-	5,397	12,374
Advertisements	-	-	-	600
	<u>5,397</u>	<u>-</u>	<u>5,397</u>	<u>12,974</u>

### 5 Other income

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
JRS grant	-	-	-	453
	<u>-</u>	<u>-</u>	<u>-</u>	<u>453</u>

### 6 Expenditure on raising funds

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Fundraising fees & charges	728	-	728	656
	<u>728</u>	<u>-</u>	<u>728</u>	<u>656</u>

### 7 Expenditure on charitable activities by fund

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Mosque	109,172	450	109,622	105,760
Academy	128,399	-	128,399	103,271
	<u>237,571</u>	<u>450</u>	<u>238,021</u>	<u>209,031</u>

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 8 Analysis of expenditure on charitable activities

	<i>Basis of Allocation</i>	Mosque £	Academy £	Total 2023 £	Total 2022 £
<b>Direct costs:</b>					
Activities	<i>Direct</i>	1,477	-	1,477	4,882
Salaries and wages (incl. contractors)	<i>Direct</i>	29,355	94,753	124,108	111,263
Non-salary staff & volunteer costs	<i>Direct</i>	75	-	75	600
Office costs	<i>Direct</i>	4,069	1,656	5,725	2,268
		<u>34,976</u>	<u>96,409</u>	<u>131,385</u>	<u>119,013</u>
<b>Support costs:</b>					
Salaries wages	<i>70% / 30%</i>	19,619	8,408	28,027	22,755
Office costs	<i>70% / 30%</i>	12,256	5,252	17,508	2,547
Premises costs	<i>70% / 30%</i>	21,791	9,339	31,130	57,507
Governance costs	<i>70% / 30%</i>	18,636	7,987	26,623	6,119
Other costs	<i>70% / 30%</i>	2,344	1,004	3,348	1,090
		<u>74,646</u>	<u>31,990</u>	<u>106,636</u>	<u>90,018</u>
<b>Total expenditure on charitable activities</b>		<u>109,622</u>	<u>128,399</u>	<u>238,021</u>	<u>209,031</u>

### 9 Other expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Flat related service charges	-	-	-	323
	<u>-</u>	<u>-</u>	<u>-</u>	<u>323</u>

### 10 Net incoming resources for the year

This is stated after charging:-

	2023 £	2022 £
Independent examiner fees	1,305	1,305
Depreciation and Impairment Charges	28,729	28,675
	<u>28,729</u>	<u>28,675</u>

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 11 Trustees

During the current or previous year no remuneration or benefits for services as a trustee have been paid or were payable, directly or indirectly, out of the funds of the charity to any trustee or to any person known to be connected with them.

Reimbursement of travel and incidental expenses to the trustees came to £Nil during the year to 31 March 2023 (2020/21: £Nil).

Expenses related to the costs of Trustees' meetings including the AGM totalled £Nil (2020/21: £Nil).

### 12 Employees

	2023 Head Count	2022 Head Count
<b>Number of employees</b>		
The average number of employees, analysed by function was:		
Mosque Imams & staff	2	3
Academy staff	8	5
Caretakers	2	2
	<u>12</u>	<u>10</u>
<b>Employment costs</b>	2023 £	2022 £
Employed staff costs	116,768	99,532
Social security costs	-	602
	<u>116,768</u>	<u>100,134</u>

No employee received remuneration amounting to more than £60,000 in the period (2021/22: None)

The key management personnel of the Charity were comprised of unpaid trustees and volunteers. The total employee benefits of the key management personnel of the Charity therefore, were £Nil (2021/22: £Nil).

No employees were made redundant in the year (2021/22: None). The total cost of the redundancy payments amounted to £Nil (2021/22: £Nil). The policy of the charity is to recognise redundancy payments in full when they become due.

During the current or previous year no remuneration or benefits for services as a trustee have been paid or were payable, directly or indirectly, out of the funds of the charity to any trustee or any person known to be connected with them.

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 13 Volunteers

The Trustee Board recognise the tremendous contribution made by our volunteers without whom the service could not operate.

### 14 Fixed Assets

	WIP Building £	Land & buildings £	Furniture & equipment £	Fixtures & fittings £	Total £
<b>Cost</b>					
At 31 March 2022	72,995	1,122,095	1,074	86,465	1,282,629
Additions	745,085	-	-	-	745,085
At 31 March 2023	818,080	1,122,095	1,074	86,465	2,027,714
<b>Depreciation</b>					
At 31 March 2022	-	140,868	161	61,585	202,614
Charge in the year	-	11,221	215	17,293	28,729
At 31 March 2023	-	152,089	376	78,878	231,343
<b>Net book value</b>					
At 31 March 2023	818,080	970,006	698	7,587	1,796,371
At 31 March 2022	72,995	981,227	913	24,880	1,080,015

WIP building is the category for Mosque extension work costs. This is a non-depreciating asset category. Once the work is complete the value will be transferred to Land & buildings. It is estimated the significant extension work could take another two years to complete.

### 15 Debtors

	2023 £	2022 £
Membership fees receivable	4,800	2,800
Academy fees receivable	1,075	3,645
Gift aid receivable	-	3,259
	<u>5,875</u>	<u>9,704</u>

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

16	Creditors: amounts falling due within one year	2023 £	2022 £		
	PAYE/NI	-	2,431		
	Accruals	1,905	2,017		
	Madrassah deposits	3,455	7,275		
	Karz-e-Hasna (interest-free loans from donor community)	282,500	-		
		<hr/>	<hr/>		
		287,860	11,723		
		<hr/>	<hr/>		
17	Financial instruments	2023 £	2022 £		
	Financial assets				
	Financial assets measured at fair value through profit & loss:				
	- Cash at bank and in hand	142,412	445,612		
	- Membership fees receivable	4,800	2,800		
	- Academy fees receivable	1,075	3,645		
	- Gift aid receivable	-	3,259		
		<hr/>	<hr/>		
		148,287	455,316		
		<hr/>	<hr/>		
	Financial liabilities				
	Financial assets measured at fair value through profit & loss:				
	- PAYE/NI	-	2,431		
	- Madrassah deposits	3,455	7,275		
	- Karz-e-Hasana (interest-free loans from donors)	282,500	-		
	Financial liabilities measured at amortised cost:				
	- Accruals	1,905	2017		
		<hr/>	<hr/>		
		287,860	11,723		
		<hr/>	<hr/>		
18	Unrestricted funds				
Current year (2022/23):	Balance at 31 March 2022 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2023 £
General funds	389,181	186,321	(238,299)	(538,215)	(201,012)
Designated funds: Fixed assets	1,080,015	-	-	716,356	1,796,371
Designated funds: Reserves policy	52,503	-	-	7,002	59,505
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted funds	1,521,699	186,321	(238,299)	185,143	1,654,864

There is a designated fund of £1,796,371 for fixed assets (2021/22: £1,080,015) as this amount is not readily available to spend on the charitable objects of the Charity, and another of £59,505 to cover 3 months' normal estimated running costs of activities, as per the reserves policy (2021/22: £52,503).

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 18 Unrestricted funds (cont.)

Prior year (2021/22):	Balance at 31 March 2021 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2022 £
General funds	1,346,694	329,663	(208,605)	(1,078,571)	389,181
Designated funds: Fixed assets	-	-	-	1,080,015	1,080,015
Designated funds: Reserves policy	-	-	-	52,503	52,503
<b>Total Unrestricted funds</b>	<b>1,346,694</b>	<b>329,663</b>	<b>(208,605)</b>	<b>53,947</b>	<b>1,521,699</b>

### 19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations received for specific purposes:

Current year (2022/23):	Balance at 31 March 2022 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2023 £
Giarvi sharif	1,909	225	(450)	-	1,684
Sadaqah Wajibah	-	250	-	-	250
Extension appeal	-	185,143	-	(185,143)*	-
<b>Total</b>	<b>1,909</b>	<b>185,618</b>	<b>(450)</b>	<b>(185,143)</b>	<b>1,934</b>

\*Extension funds transferred into unrestricted funds from restricted funds due to these funds having been used and capitalised into the WIP Building category of Fixed assets.

Prior year (2021/22):	Balance at 31 March 2021 £	Incoming resources £	Resources expended £	Transfer Between Funds £	Balance at 31 March 2022 £
Giarvi sharif	2,640	674	(1,405)	-	1,909
Extension appeal	21,380	-	-	(21,380)*	-
JRS grant	32,567	-	-	(32,567)*	-
<b>Total</b>	<b>56,587</b>	<b>674</b>	<b>(1,405)</b>	<b>(53,947)</b>	<b>1,909</b>

\*Funds transferred into unrestricted funds from restricted funds represent a paying back of funds for funds already used through unrestricted funds in prior periods.



# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 19 Restricted funds (cont.)

#### Restricted Project Descriptions:

##### Giarvi sharif

This project represents events performed at the Mosque commemorating Shaykh Abdul Qadir Jilani.

##### Extension appeal

This was a fundraising appeal to raise funds for the Mosque extension, the work of which began in the prior 2021/22 year and when used are being capitalised into WIP buildings in Fixed assets until the work is finished. It is expected the work will finish in financial year 2024/25.

##### JRS grant

This was the furlough fund paid by the government during the Covid-19 lockdowns. These funds were transferred into unrestricted as they were used in the paying of furlough salaries in the year 2020/21.

### 20 Analysis of net assets between funds

End of current period (2022/23):	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2023 are represented by:			
Fixed assets	1,796,371	-	1,796,371
Net current assets	(141,507)	1,934	(139,573)
	<u>1,654,864</u>	<u>1,934</u>	<u>1,656,798</u>
End of prior period (2021/22):	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2022 are represented by:			
Fixed assets	1,080,015	-	1,080,015
Net current assets	441,684	1,909	443,593
	<u>1,521,699</u>	<u>1,909</u>	<u>1,523,608</u>

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 21 Commitments under operating leases

As lessor:

As at 31 March 2023, the charity had commitments owed to it under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Within one year	-	5,833
Between one and three years	-	-

### 22 Related parties

There are no related party transactions in the year or the prior year.

<b>23 Reconciliation of cash flows from operating activities</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net income / (expenditure) for the reporting period	<b>133,190</b>	120,327
Add: Depreciation charge	<b>28,729</b>	28,675
(Increase) / decrease in debtors	<b>3,829</b>	(9,704)
Increase / (decrease) in creditors	<b>276,137</b>	1,750
<b>Net cash provided by operating activities</b>	<b>441,885</b>	141,048

<b>24 Analysis of cash and cash equivalents</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>142,412</b>	445,612
<b>Total cash and cash equivalents</b>	<b>142,412</b>	445,612

# AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### 24A Analysis of changes in net debt

	Start of year £	Cashflows in year £	End of year £
Cash	445,612	(303,200)	142,412
	<hr/>	<hr/>	<hr/>
	445,612	(303,200)	142,412
	<hr/>	<hr/>	<hr/>

# **AHL-E-SUNNAT WA JAMAAT BAREILVI OF BIRMINGHAM**

## **INCOME & EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 MARCH 2023 & PRIOR YEAR COMPARISON

	2023	2022
	£	£
<b>INCOME</b>		
General donations	63,082	166,558
Jummah collections	69,983	63,910
Extension appeal	185,143	-
Giarvi collections	225	674
Sadaqah Wajibah	250	-
Gift aid claimed	1,502	24,246
Grants income	-	453
Madrassah fees	33,242	44,193
Membership fees	8,675	11,649
Marriage & advice services	2,430	3,330
Rag collection	1,200	900
Azaan radios income	810	1,450
Advertising income	-	600
Rental income	5,397	12,374
<b>TOTAL INCOME</b>	<b>371,939</b>	<b>330,337</b>
<b>EXPENDITURE</b>		
Salaries & wages	116,768	100,134
Contract wages	35,367	33,884
Staff travel & other costs	75	600
Events: Giarvi expenses	450	1,405
Events: Talks & Speakers fees	-	2,527
Office: Depreciation	17,508	17,454
Office: Equipment & IT costs	3,969	1,212
Office: Printing & stationery	626	658
Office: Accountancy & consultancy	526	647
Office: Telephone & internet	604	1,174
Office: Subsistence & refreshments	1,477	963
Premises: Depreciation	11,221	11,221
Premises: Insurance	3,750	3,350
Premises: Utilities	9,221	9,543
Premises: Repairs & maintenance	5,552	14,577
Premises: Cleaning	-	972
Premises: Service charges	-	323
Premises: Other	1,386	552
Governance: Legal & professional fees	25,318	4,814
Governance: Audit/Examination fees	1,305	1,305
Other: Grants & disbursements paid	-	150
Other: Fundraising costs	728	656
Other: Bank charges	1,276	-
Other: Publicity & promotion	475	999
Other: Radio costs	1,147	800
Other: Miscellaneous expenses	-	90
<b>TOTAL EXPENDITURE</b>	<b>(238,749)</b>	<b>(210,010)</b>
<b>NET INCOME</b>	<b>133,190</b>	<b>120,327</b>