

**Report of the Trustees and
Financial Statements
for the Year Ended 31 March 2023
for
Dar Ul Uloom Islamia Rizwia (Bralawai)**

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Dar UI Uloom Islamia Rizwia (Bralawai)

**Contents of the Financial Statements
for the Year Ended 31 March 2023**

| | Page |
|---|-------------|
| Report of the Trustees | 1 to 7 |
| Report of the Independent Auditors | 8 to 10 |
| Statement of Financial Activities | 11 |
| Balance Sheet | 12 |
| Cash Flow Statement | 13 |
| Notes to the Financial Statements | 14 to 23 |

Dar Ul Uloom Islamia Rizwia (Bralawai)

Report of the Trustees for the Year Ended 31 March 2023

The trustees present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

As the Charity continues to improve its governance, it has agreed with the Charity Commission to change its current Trust Deed, that was approved in 1986, to a new Charitable Incorporated Organisation (CIO), which has been given approval. Though this change took place in late 2023, and not in the financial year being reported it is a significant material change, and therefore it is noted here. The Board of Trustees are in the process of implementing the new constitution, which will be completed in the coming period.

The objects of the Charity are to promote for the benefit of persons who profess the faith of Dar ul Uloom Islamia Rizwia (Bralawai) and who are resident in the city of Birmingham, by:

- (i) the advancement of education particularly religious education and in the principles of the Islamic faith by the establishment, support, maintenance and management of a school and by the provisions of scholarships and bursaries tenable at the said school.
- (ii) the propagation advancement and practice of the Islamic Religion according to the said faith by the acquisition maintenance and furnishing of a place or places for religious worship and by the holding of religious services;
- (iii) the relief of poverty; and
- (iv) the provision of facilities by associating the local authorities, voluntary organisations and the said persons in a common effort to provide such facilities in the interest of social welfare for recreation and leisure time occupation with the object of improving the conditions of life for the said persons and the establishment or the securing of the establishment of a community centre and the maintenance or the co-operation with any local statutory authority in the maintenance and management of such centre for activities promoted by the Charity and its constituent bodies in furtherance of these objects.

Charitable purpose

The purpose of the Charity is to help local people fulfil their personal potential both as people of faith and more generally. To help beneficiaries to reduce poverty on an individual basis, in their families and networks and in their local neighbourhoods.

The Charity will endeavour to fulfil this trust by the implementation of its objects (as above), in particular by:

- Advancing education, particularly religious education in the principles of the Islamic faith through the Education Centre and related activities;
- Maintaining the Central Jamia Mosque Ghamkol Sharif on Golden Hillock Road (the Masjid) as a place of religious worship and providing appropriate services that meet the needs of the local community and others who attend the Masjid;
- The relief of poverty; and
- The provision of services, either directly or in partnership with other appropriate organisations, in the interest of social welfare, recreation and leisure to improve the quality of life of local people.

Dar Ul Uloom Islamia Rizwia (Bralawai)

Report of the Trustees for the Year Ended 31 March 2023

OBJECTIVES AND ACTIVITIES

Public benefit

Taking into consideration our purpose and objectives and in conjunction with the guidance contained in the Charity Commission's general guidance on public benefit, we have concluded:

- That the aims and work done give identifiable benefits to the local community and both indirectly and directly to individuals in need;
- That the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay; and
- That there is no detriment or harm arising from the aims or activities described above.

Volunteers

We would like to take this opportunity once again to recognise and appreciate the immense effort and sacrifice of our dedicated and loyal volunteers, who have helped throughout these challenging times.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Mosque/Masjid:

- The facilitation of the 5 daily prayers, including the Friday prayer
- Eid ul-Fitr and Eid ul-Adha
- A range of religious support services for the families who have lost loved ones throughout the year
- Islamic Counselling Services
- Nikkah, in accordance with Islamic law
- The facilitation of Ramadan and the recitation of the Holy Qur'an
- Annual Mawlid Un Nabi (Peace and Blessings Be Upon Him)
- Monthly gatherings (throughout the year) of Sayyiduna Shaykh Abdul Qadir Jilani (r.a)
- Lectures
- Khatam e-Khawajgan and Dhikr gatherings every week
- Weekly recital of Qasida al-Burda Sharif

Sister's Gatherings

With the opening of the Madrasah and the engagement of mothers, the Charity continued upon a number of regular services for women and or children only.

Community Projects:

- Post 16 education for local women in partnership with South City College Birmingham

The City of Knowledge Academy, registered charity number: 1137342('CK')

As previously reported, the Charity still faces the unreasonable potential threat of being sued by CK, on their understanding as to why they stopped delivering contracted services at the Charity. During the year, the Charity was contacted by the Board of Trustees at City of Knowledge (CK), stating that it will wait for the outcome of the Charity Commission Inquiry before they make any further decisions. CK have not delivered any services since March 2021, now coming up to 3 years, and we pray they will not pursue this irrational, and unnecessary cause of action in essence suing a faith-based charity or a Masjid. However, if the Charity is sued, the Board will defend itself, as it has with the other adversaries who attempted to take control of the Charity and move away from the core essence of why the founding trustees established the Charity in the first place; the promotion of the faith of Darbar-e-Aliya Ghamkol Sharif.

Fundraising activities

The Charity does not carry out any off-site fund-raising. Members of our congregation/beneficiaries make voluntary donations on site, either in the office or during prayers via a sealed bucket collection or donate electronically via the donation kiosk or one of the safes located on the Mosque premises.

Dar UI Uloom Islamia Rizwia (Bralawai)

Report of the Trustees for the Year Ended 31 March 2023

FINANCIAL REVIEW

Financial position

During the financial year, CJMGS delivered a financial deficit of £534,030 (2021/22: deficit of £515,439).

The Charity continued its previous years' work in making a significant capital investment to the ground floor of the building that is known as the Community Centre, to form part of the new provision for the Madrasah, general community work, recreational and leisure area, as well as a place to hold seminars and meetings. This is in addition to the upgrade of the Masjid's windows. As also previously reported, there was also continued legal costs across several areas.

Legal Support

The Charity continued to incur substantial legal costs in the year ended March 2023. These costs arose from the need for continuing advice in relation to:

(a) the challenges referred to previously and elsewhere in this report, including:

- the hereditary claims with individuals and their followers, seeking to interfere with the management of the Masjid;
- the successful completion of Trade Mark case, defending the good name of the Masjid and logo, and the implementation of the rulings of Trade Mark Registry, with our adversaries;
- addressing queries raised by the Charity Commission and the subsequent regulatory engagement, including the appointment of an Interim Manager by the Commission.

(b) the Board's decision to seek specialist support with the work done by the trustees and the leadership team to review and improve the governance of the charity and a number of operational policies and procedures, taking into account the guidance received from the Charity Commission.

These factors are now coming to a close, and we expect a significant reduction in legal costs for the year ending March 2024, as we focus our energy and time on improving our core service provision to our congregation and beneficiaries.

Restrictions and Investment Powers

The Trust Deed authorises investment of surplus monies not immediately required, subject only to conditions and consents imposed by law.

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 six months' ordinary operating expenditure to be held as unrestricted funds, equating to £275,000 at budgeted expenditure levels.

The unrestricted general free reserves at 31 March 2022 were £1,413,035 (2022: £2,292,815). Free reserves are reserves which do not include restricted funds, designated funds of £7,337,938 or funds tied up in the other fixed assets of £94,466.

Restricted reserves at the end of the year amount to £18,334 (2022: £18,334).

Going concern

The Charity reported a cash outflow of £904,913 for the year. It has available bank balances of £1,310,063 at the 31 March 2023.

After making further appropriate enquiries, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the twelve months from the date of signing this report. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Dar Ul Uloom Islamia Rizwia (Bralawai)

Report of the Trustees for the Year Ended 31 March 2023

LOOKING AHEAD

As the Charity is in a Statutory Inquiry, and during the year an Interim Manager was appointed between December 2022 to March 2023, the immediate focus will be to ensure the implementation of the advice, guidance and the agreed Action Plan with the Commission, as well as other areas of concern that have been identified.

The Board will also be focusing on the transition from the Trust Deed to the CIO, including transferring the properties of the Charity directly to the CIO. Currently they are held on trust by current and previous trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity, which has the working name of 'Central Jamia Mosque Ghamkol Sharif' (CJMGS), is an unincorporated charity established by Deed of Trust, dated 16 January 1986 and registered with the Charity Commission on 18 April 1986. The Deed of Trust was amended by a resolution made under s280 of the Charities Act 2011 on 29 November 2019.

Identified concerns

As reported previously, the Charity continues to work with the Commission, in bringing about improvements to its governance, administration and management, within the scope of the Statutory Inquiry from November 2021, and the appointment of an Interim Manager between December 2022 and March 2023, as reported by the Commission. The Charity welcomes the advice and guidance given by the Commission, as we continue to bring about change, by the application of the recommendations, and general support offered by the Commission.

We are grateful to our accountants and auditors (Locke Williams Associates LLP) who have helped us complete the annual return and accounts for previous years, and ensured our legal obligation to file this report and accounts on time is met. We will work with them to make continuing improvements in this area.

The Charity receives cash donations as follows:

- 1) Friday Jumm'ah prayer and events collections via bucket collection;
- 2) Donors dropping cash into one of several safes, allocated throughout the Mosque;
- 3) Donors handing cash into the office;
- 4) Parents paying their Madrasah (supplementary) school fees (with the new changes introduced the majority of fees are now paid by electronic means).

Trade Mark Case

As previously reported the Trustees of the Charity (CJMGS) were delighted that the Trade Mark Registry Court in June 2022, for the UK Intellectual Property Office has ruled overwhelming in our favour on all 3 consolidated proceedings.

A summary of the Trade Mark decision can be found on the link below:

https://www.ipo.gov.uk/t-challenge-decision-results/t-challenge-decision-results-bl.htm?BL_Number=O55622&submit=Search+%BB

The full decision can be accessed from this link:

<https://www.ipo.gov.uk/t-challenge-decision-results/o55622.pdf>

The importance of this decision cannot be overstated, as the name is linked with the spiritual Movement Darbar-e-Aliya Ghamkol Sharif. Those who attempted illegally, to claim the rights of this name were in the opinion of our congregation, beneficiaries and followers motivated by monetary greed. The Registry confirmed, the principal adversary of the Charity, Junaid Akhtar, the grandson of one of the founding trustees Sufi Abdullah Khan to have acted in bad faith. The standard of proof required, to act in bad faith is very high: in that he acted dishonestly, his intention was to mislead, his behaviour fell short of what is an acceptable standard, and he and his followers implied a dishonest state of mind and or intention. He currently serves the Sufi Abdullah Foundation, Charity number 1185566.

Dar Ul Uloom Islamia Rizwia (Bralawai)

Report of the Trustees for the Year Ended 31 March 2023

During the year, the charities in Rochdale and Manchester confirmed in writing that they will abide fully by the decision of the Court. However, we are still in the process of enforcing this ruling with Sufi Abdullah Foundation, Charity number 1185566, and we are hopeful they will also comply with the Court's decision in the coming period and prevent further unnecessary legal costs.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

No new Trustees were appointed during this period.

Organisational structure

The Charity is principally based in Birmingham, UK but works with organisations across the United Kingdom. The Trustees are responsible for the governance of the Charity, and the day-to-day management is performed by the Trustees and other volunteers, as well as some paid staff for administration of the Mosque and teachers for the Madrassa School.

Key management remuneration

The trustees consider the Board of Trustees and the Manager as comprising the senior management personnel of the charity in charge of directing and controlling the charity and running and operating the Charity, with the principal day-to-day administration and management responsibilities with the Manager of the Charity. All Trustees give their time freely and no Trustee remuneration was paid in the year. Any trustee expenses are detailed in note 8 to the accounts.

The pay of the charity's manager is in line with national minimum wage may be increased in accordance with average earnings index.

Related parties

There is a related party interest, which came to an end on 3 January 2023 due to the dissolution of the Company, Golden Hillock Islamic Funerals Ltd (company number 12708494). One of the company directors, Mohammed Konane, is also a Trustee of the Charity. Since the dissolution of the Company, and the decision not to reinstate services the Company will make a charitable donation to the Charity on any profits declared.

The Board had previously notified the Charity Commission that it will be bringing this service in house, as a trading subsidiary, as part of the Charity's wider governance changes being discussed.

Risk management

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 is reviewed regularly by the Trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

517381

Principal address

Central Jamia Mosque Ghamkol Sharif
150 Golden Hillock Road
Small Heath
BIRMINGHAM
B10 0DX

Dar Ul Uloom Islamia Rizwia (Bralawai)

Report of the Trustees for the Year Ended 31 March 2023

Trustees

Mr Ahsan Ul-Haq
Mr Abdul Khaliq
Mr Zahir Abbas
Mr Asif Quayum
Mr Mohammed Konane
Mr Jamil Bashir

The following trustees (and former trustees) hold title to property belonging to the charity as custodian or nominee:

Trustees:

Mr Ahsan Ul-Haq
Mr Abdul Khaliq
Mr Zahir Abbas
Mr Asif Quayum
Mr Jamil Bashir
Mr Mohammed Konane

Former Trustees:

Al Haj Shaikh Muhammad Abdullah Khan
Al-Haj Fazal Illahi
Mohammad Saleem Akhtar
Al Haj Talib Hussain

Auditors

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Bankers

United Bank UK

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

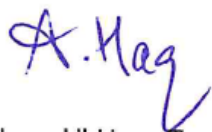
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Dar Ul Uloom Islamia Rizwia (Bralawai)

**Report of the Trustees
for the Year Ended 31 March 2023**

Approved by order of the board of trustees on 26 January 2024 and signed on its behalf by:



Mr Ahsan Ul-Haq - Trustee

**Report of the Independent Auditors to the Trustees of
Dar UI Uloom Islamia Rizwia (Bralawai)**

Opinion

We have audited the financial statements of Dar UI Uloom Islamia Rizwia (Bralawai) (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

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

Report of the Independent Auditors to the Trustees of Dar Ul Uloom Islamia Rizwia (Bralawai)

Matters on which we are required to report by exception

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

the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or

sufficient accounting records have not been kept; or

the financial statements are not in agreement with the accounting records and returns; or

we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

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

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

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the charity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Report of the Independent Auditors to the Trustees of Dar Ul Uloom Islamia Rizwia (Bralawai)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, we:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks
- that the charity operates in and how the charity is complying with the legal and regulatory frameworks; inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur
- including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are the Charities Act 2011, the Charities SORP (FRS 102), the charity's governing document, UK tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliance which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting correspondence and evaluating any advice received from external advisors.

We also addressed the risk of management override of internal controls, including testing journals and checking the authorisation of expenditure as part of our substantive testing, using analytical review to identify any significant or unusual transactions and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Date: 26 January 2024



TRUSTED ACCOUNTING SOLUTIONS



Registered number: OC350146
Registered in England and Wales.
Katrina Williams FCA CTA TEP
David Williams FCA FCCA

Locke Williams Associates LLP
Blackthorn House, St Pauls Square
Birmingham B3 1RL T: 0121 262 3980

Dar UI Uloom Islamia Rizwia (Bralawai)

**Statement of Financial Activities
for the Year Ended 31 March 2023**

| | Notes | Unrestricted funds £ | Restricted funds £ | 31.3.23 Total funds £ | 31.3.22 Total funds £ |
|------------------------------------|-------|--------------------------------|-----------------------------|--|--------------------------------|
| INCOME AND ENDOWMENTS FROM | | | | | |
| Donations and legacies | 2 | 153,535 | 6,910 | 160,445 | 167,254 |
| Charitable activities | 4 | | | | |
| Education centre | | 15,768 | - | 15,768 | - |
| Investment income | 3 | <u>117,279</u> | <u>-</u> | <u>117,279</u> | <u>200,663</u> |
| Total | | <u>286,582</u> | <u>6,910</u> | <u>293,492</u> | <u>367,917</u> |
| EXPENDITURE ON | | | | | |
| Charitable activities | 5 | | | | |
| Charitable activities | | <u>827,513</u> | <u>-</u> | <u>827,513</u> | <u>883,356</u> |
| NET INCOME/(EXPENDITURE) | | (540,931) | 6,910 | (534,021) | (515,439) |
| RECONCILIATION OF FUNDS | | | | | |
| Total funds brought forward | | <u>9,386,370</u> | <u>18,334</u> | <u>9,404,704</u> | <u>9,920,143</u> |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>8,845,439</u></u> | <u><u>25,244</u></u> | <u><u>8,870,683</u></u> | <u><u>9,404,704</u></u> |

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

Dar Ul Uloom Islamia Rizwia (Bralawai)

**Balance Sheet
31 March 2023**

| | Notes | 31.3.23 £ | 31.3.22 £ |
|--|-------|------------------|--------------|
| FIXED ASSETS | | | |
| Tangible assets | 12 | 3,436,816 | 3,097,967 |
| Investment property | 13 | 3,995,588 | 3,995,588 |
| | | 7,432,404 | 7,093,555 |
| CURRENT ASSETS | | | |
| Debtors | 14 | 182,161 | 192,214 |
| Cash at bank and in hand | 15 | 1,310,072 | 2,214,976 |
| | | 1,492,233 | 2,407,190 |
| CREDITORS | | | |
| Amounts falling due within one year | 16 | (53,954) | (96,041) |
| NET CURRENT ASSETS | | 1,438,279 | 2,311,149 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 8,870,683 | 9,404,704 |
| NET ASSETS | | 8,870,683 | 9,404,704 |
| FUNDS | 18 | | |
| Unrestricted funds: | | | |
| General fund | | 1,507,501 | 2,348,369 |
| Freehold buildings | | 3,342,350 | 3,042,413 |
| Investment property | | 3,995,588 | 3,995,588 |
| | | 8,845,439 | 9,386,370 |
| Restricted funds | | 25,244 | 18,334 |
| TOTAL FUNDS | | 8,870,683 | 9,404,704 |

The financial statements were approved by the Board of Trustees and authorised for issue on 26 January 2024 and were signed on its behalf by:



Mr Zahir Abbas - Trustee



Mr Ahsan Ul-Haq - Trustee

The notes form part of these financial statements

Dar UI Uloom Islamia Rizwia (Bralawai)

**Cash Flow Statement
for the Year Ended 31 March 2023**

| | Notes | 31.3.23 £ | 31.3.22 £ |
|---|-------|--------------------------------|--------------------------------|
| Cash flows from operating activities | | | |
| Cash generated from operations | 21 | <u>(542,094)</u> | <u>(246,740)</u> |
| Net cash used in operating activities | | <u>(542,094)</u> | <u>(246,740)</u> |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (362,819) | (39,796) |
| Interest received | | 9 | - |
| Return on investment | | <u>-</u> | <u>168</u> |
| Net cash used in investing activities | | <u>(362,810)</u> | <u>(39,628)</u> |
| | | <hr/> | <hr/> |
| Change in cash and cash equivalents in the reporting period | | (904,904) | (286,368) |
| Cash and cash equivalents at the beginning of the reporting period | | <u>2,214,976</u> | <u>2,501,344</u> |
| Cash and cash equivalents at the end of the reporting period | | <u><u>1,310,072</u></u> | <u><u>2,214,976</u></u> |

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

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

Critical accounting judgements 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.

Investment property - The trustees have revalued the property to fair value at the year end. They have based their valuation on a valuation carried out by Emma Hughes MRICS of Sanderson Weatherall on 01 April 2020. In making this estimation, it is the opinion of the trustees that the local catchment area has seen no significant change to its infrastructure or environment since 1 April 2020, and therefore the values of the properties are likely to be unchanged. This opinion is based on their local knowledge.

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. 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 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.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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 running of the Mosque and Madrassa school. It includes both costs that can be allocated directly to this activity and those costs of an indirect nature necessary to support them.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

| | |
|-----------------------------------|----------------|
| Freehold property | - not provided |
| Furniture, fittings and equipment | - 20% on cost |
| Motor vehicles | - 20% on cost |

The Trustees consider that freehold properties are maintained in such a state of repair that their residual value is at least equal to their net book value. As a result, the corresponding depreciation would not be material and therefore, is not charged in the statement of activities. The Trustees perform annual impairment reviews in accordance with the requirements of FRS 102 to ensure that the carrying value is not higher than the recoverable amount.

All assets costing £500 or more are capitalised.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

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.

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. Any cash held in deposits with a longer maturity are held as long-term investments.

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.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2020 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Dar Ul Uloom Islamia Rizwia (Bralawai)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

2. DONATIONS AND LEGACIES

| | 31.3.23 | 31.3.22 |
|-----------|-----------------------|----------------|
| | £ | £ |
| Donations | <u>160,445</u> | <u>167,254</u> |

3. INVESTMENT INCOME

| | 31.3.23 | 31.3.22 |
|----------------------|-----------------------|----------------|
| | £ | £ |
| Rents received | 117,270 | 200,495 |
| Return on investment | <u>9</u> | <u>168</u> |
| | <u>117,279</u> | <u>200,663</u> |

4. INCOME FROM CHARITABLE ACTIVITIES

| | 31.3.23 | 31.3.22 |
|---------------|----------------------|----------|
| | £ | £ |
| School income | <u>15,768</u> | <u>-</u> |

5. CHARITABLE ACTIVITIES COSTS

| | Direct Costs (see note 6) £ | Support costs (see note 7) £ | Totals £ |
|-----------------------|--------------------------------------|---------------------------------------|-----------------------|
| Charitable activities | <u>692,570</u> | <u>134,943</u> | <u>827,513</u> |

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

| | 31.3.23 | 31.3.22 |
|--------------------------------|-----------------------|----------------|
| | £ | £ |
| Staff costs | 414,871 | 348,273 |
| Water & utilities | 49,471 | 33,995 |
| Repairs, renewals & cleaning | 43,647 | 34,663 |
| Health & safety | - | 5,388 |
| Rent | 5,950 | 5,950 |
| Building projects | 32,000 | 153,600 |
| Sundries | 33,096 | 44,846 |
| Insurance | 27,165 | 11,991 |
| Printing, stationery & postage | 7,004 | 11,350 |
| Telephone, internet and IT | 18,532 | 42,931 |
| Equipment | 8,575 | - |
| Bank charges | 487 | 85 |
| Catering etc | 13,100 | - |
| Donations | 11,159 | 2,071 |
| Books & literature | 2,150 | 21,477 |
| Training | 1,393 | - |
| Depreciation | <u>23,970</u> | <u>9,681</u> |
| | <u>692,570</u> | <u>726,301</u> |

Dar UI Uloom Islamia Rizwia (Bralawai)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

7. SUPPORT COSTS

| | |
|-----------------------|--------------------------|
| | Governance costs £ |
| Charitable activities | <u>134,943</u> |

Support costs, included in the above, are as follows:

| | 31.3.23 | 31.3.22 |
|--------------------------|-------------------------------|--------------------------|
| | Charitable activities £ | Total activities £ |
| Auditors' remuneration | 3,960 | 3,600 |
| Other accountancy fees | 570 | 708 |
| Legal & consultancy fees | 127,936 | 150,058 |
| HR advice | <u>2,477</u> | <u>2,689</u> |
| | <u>134,943</u> | <u>157,055</u> |

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

During the year, one trustee was reimbursed expenses incurred on behalf of the charity, a total of £8,575 (2022 two £630). This was one transaction, the reimbursement of recreational equipment purchased for the Madrasah.

9. STAFF COSTS

| | 31.3.23 | 31.3.22 |
|-----------------------|-----------------------|-----------------------|
| | £ | £ |
| Wages and salaries | 393,234 | 329,818 |
| Social security costs | 20,208 | 16,510 |
| Other pension costs | <u>1,429</u> | <u>1,945</u> |
| | <u>414,871</u> | <u>348,273</u> |

The average monthly number of employees during the year was as follows:

| | 31.3.23 | 31.3.22 |
|-----------------------------|------------------|------------------|
| | <u>26</u> | <u>14</u> |
| Charitable activities staff | | |

No employees received emoluments in excess of £60,000.

The full time equivalent staff as at 31 March 2023 was 14.

Dar Ul Uloom Islamia Rizwia (Bralawai)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Total funds £ |
|------------------------------------|----------------------------|--------------------------|---------------------|
| INCOME AND ENDOWMENTS FROM | | | |
| Donations and legacies | 156,252 | 11,002 | 167,254 |
| Investment income | <u>200,663</u> | <u>-</u> | <u>200,663</u> |
| Total | <u>356,915</u> | <u>11,002</u> | <u>367,917</u> |
| EXPENDITURE ON | | | |
| Charitable activities | | | |
| Charitable activities | <u>883,356</u> | <u>-</u> | <u>883,356</u> |
| NET INCOME/(EXPENDITURE) | (526,441) | 11,002 | (515,439) |
| RECONCILIATION OF FUNDS | | | |
| Total funds brought forward | | | |
| As previously reported | 9,920,143 | - | 9,920,143 |
| Prior year adjustment | <u>(7,332)</u> | <u>7,332</u> | <u>-</u> |
| As restated | <u>9,912,811</u> | <u>7,332</u> | <u>9,920,143</u> |
| TOTAL FUNDS CARRIED FORWARD | <u>9,386,370</u> | <u>18,334</u> | <u>9,404,704</u> |

11. VOLUNTEERS

The Trustee Board recognise the tremendous contribution made by the charity's volunteers without which the service could not operate. We have had 11 regularly active volunteers, not including trustees, over the year, who between them contributed the equivalent of 1.25 full time equivalent staff.

12. TANGIBLE FIXED ASSETS

| | Freehold property £ | Furniture, fittings and equipment £ | Motor vehicles £ | Totals £ |
|-----------------------|---------------------------|---|------------------------|------------------|
| COST | | | | |
| At 1 April 2022 | 3,042,413 | 245,640 | 21,644 | 3,309,697 |
| Additions | <u>299,937</u> | <u>62,882</u> | <u>-</u> | <u>362,819</u> |
| At 31 March 2023 | <u>3,342,350</u> | <u>308,522</u> | <u>21,644</u> | <u>3,672,516</u> |
| DEPRECIATION | | | | |
| At 1 April 2022 | - | 190,086 | 21,644 | 211,730 |
| Charge for year | <u>-</u> | <u>23,970</u> | <u>-</u> | <u>23,970</u> |
| At 31 March 2023 | <u>-</u> | <u>214,056</u> | <u>21,644</u> | <u>235,700</u> |
| NET BOOK VALUE | | | | |
| At 31 March 2023 | <u>3,342,350</u> | <u>94,466</u> | <u>-</u> | <u>3,436,816</u> |
| At 31 March 2022 | <u>3,042,413</u> | <u>55,554</u> | <u>-</u> | <u>3,097,967</u> |

Dar UI Uloom Islamia Rizwia (Bralawai)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

13. INVESTMENT PROPERTY

| | |
|-----------------------|-------------------------|
| | £ |
| FAIR VALUE | |
| At 1 April 2022 | |
| and 31 March 2023 | <u>3,995,588</u> |
| NET BOOK VALUE | |
| At 31 March 2023 | <u>3,995,588</u> |
| At 31 March 2022 | <u>3,995,588</u> |

14. DEBTORS

| | | |
|---|-----------------------|----------------|
| | 31.3.23 | 31.3.22 |
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | 18,720 | 18,000 |
| Other debtors | 500 | 500 |
| Prepayments and accrued income | <u>94,739</u> | <u>93,512</u> |
| | <u>113,959</u> | <u>112,012</u> |
| Amounts falling due after more than one year: | | |
| Trade debtors | <u>68,202</u> | <u>80,202</u> |
| Aggregate amounts | <u>182,161</u> | <u>192,214</u> |

15. CASH AT BANK AND IN HAND

| | | | |
|-----------------------|-------------------------|-------------------------|-------------------------|
| | General fund £ | Fitrana £ | Zakat £ |
| Cash in hand | 3,160 | - | - |
| Bank current accounts | 925,709 | 13,995 | 6,539 |
| Bank deposit accounts | <u>355,959</u> | <u>-</u> | <u>-</u> |
| Total | <u>1,284,828</u> | <u>13,995</u> | <u>6,539</u> |
| | | 31.3.23 | 31.3.22 |
| | Hospital fund £ | Total funds £ | Total funds £ |
| Cash in hand | - | 3,160 | 1,330 |
| Bank current accounts | 4,710 | 950,953 | 1,857,696 |
| Bank deposit accounts | <u>-</u> | <u>355,959</u> | <u>355,950</u> |
| Total | <u>4,710</u> | <u>1,310,072</u> | <u>2,214,976</u> |

Dar UI Uloom Islamia Rizwia (Bralawai)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31.3.23 | 31.3.22 |
|---------------------------------|----------------------|---------------|
| | £ | £ |
| Trade creditors | 6,254 | 24,005 |
| Social security and other taxes | 16,305 | 43,005 |
| Other creditors | 27,435 | 25,431 |
| Accruals and deferred income | 3,960 | 3,600 |
| | <u>53,954</u> | <u>96,041</u> |

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds £ | Restricted funds £ | 31.3.23 Total funds £ | 31.3.22 Total funds £ |
|---------------------|----------------------------|--------------------------|--|--------------------------------|
| Fixed assets | 3,436,816 | - | 3,436,816 | 3,097,967 |
| Investments | 3,995,588 | - | 3,995,588 | 3,995,588 |
| Current assets | 1,466,989 | 25,244 | 1,492,233 | 2,407,190 |
| Current liabilities | <u>(53,954)</u> | <u>-</u> | <u>(53,954)</u> | <u>(96,041)</u> |
| | <u>8,845,439</u> | <u>25,244</u> | <u>8,870,683</u> | <u>9,404,704</u> |

18. MOVEMENT IN FUNDS

| | At 1.4.22 £ | Net movement in funds £ | Transfers between funds £ | At 31.3.23 £ |
|---------------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|
| Unrestricted funds | | | | |
| General fund | 2,348,369 | (540,931) | (299,937) | 1,507,501 |
| Freehold buildings | 3,042,413 | - | 299,937 | 3,342,350 |
| Investment property | <u>3,995,588</u> | <u>-</u> | <u>-</u> | <u>3,995,588</u> |
| | 9,386,370 | (540,931) | - | 8,845,439 |
| Restricted funds | | | | |
| Fitrana | 7,325 | 6,670 | - | 13,995 |
| Zakat | 6,299 | 240 | - | 6,539 |
| Hospital fund | <u>4,710</u> | <u>-</u> | <u>-</u> | <u>4,710</u> |
| | <u>18,334</u> | <u>6,910</u> | <u>-</u> | <u>25,244</u> |
| TOTAL FUNDS | <u>9,404,704</u> | <u>(534,021)</u> | <u>-</u> | <u>8,870,683</u> |

Dar UI Uloom Islamia Rizwia (Bralawai)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 286,582 | (827,513) | (540,931) |
| Restricted funds | | | |
| Fitrana | 6,670 | - | 6,670 |
| Zakat | 240 | - | 240 |
| | 6,910 | - | 6,910 |
| TOTAL FUNDS | <u>293,492</u> | <u>(827,513)</u> | <u>(534,021)</u> |

Comparatives for movement in funds

| | At 1.4.21 £ | Prior year adjustment £ | Net movement in funds £ | At 31.3.22 £ |
|---------------------------|-------------------------|----------------------------------|----------------------------------|-------------------------|
| Unrestricted funds | | | | |
| General fund | 2,882,142 | (7,332) | (526,441) | 2,348,369 |
| Freehold buildings | 3,042,413 | - | - | 3,042,413 |
| Investment property | <u>3,995,588</u> | <u>-</u> | <u>-</u> | <u>3,995,588</u> |
| | 9,920,143 | (7,332) | (526,441) | 9,386,370 |
| Restricted funds | | | | |
| Fitrana | - | 693 | 6,632 | 7,325 |
| Zakat | - | 1,929 | 4,370 | 6,299 |
| Hospital fund | <u>-</u> | <u>4,710</u> | <u>-</u> | <u>4,710</u> |
| | <u>-</u> | <u>7,332</u> | <u>11,002</u> | <u>18,334</u> |
| TOTAL FUNDS | <u>9,920,143</u> | <u>-</u> | <u>(515,439)</u> | <u>9,404,704</u> |

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Movement in funds £ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| Unrestricted funds | | | |
| General fund | 356,915 | (883,356) | (526,441) |
| Restricted funds | | | |
| Fitrana | 6,632 | - | 6,632 |
| Zakat | <u>4,370</u> | <u>-</u> | <u>4,370</u> |
| | <u>11,002</u> | <u>-</u> | <u>11,002</u> |
| TOTAL FUNDS | <u>367,917</u> | <u>(883,356)</u> | <u>(515,439)</u> |

Dar Ul Uloom Islamia Rizwia (Bralawai)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

18. MOVEMENT IN FUNDS - continued

Designated funds

Designated funds have been set up of £3,042,413 for the freehold properties of the Mosque and Education and £3,995,558 for the investment properties owned by the Charity as these amounts are not readily available to spend on the charitable objects of the Charity.

Restricted funds

Fitrana, also known as 'Sadaqat ul Fitr', is a compulsory charity for a Muslim, male or female, old or young. It is a form of charity which is given on the day of Eid ul Fitr, after a month of fasting, in order to expiate one's shortcomings in the month of Ramadan and also to aid poor Muslims to celebrate Eid.

Zakat is the third pillar of Islam. It requires Muslims to give 2.5% of their qualifying wealth each year to help Muslims who need it across a range of categories. Zakat is both a spiritual duty and a vital part of the Islamic social welfare system.

The donations made by beneficiaries, for the Hospital Fund, to be given to the Charity, Al-Hamd-O Lillah (Foundation) Trust, charity number 1097091, will be passed onto the charity, in the coming period.

19. EMPLOYEE BENEFIT OBLIGATIONS

There is a defined contribution pension scheme for employees. The Charity has automatically enrolled eligible jobholders into a qualifying scheme in accordance with pensions legislation. The assets of the scheme are held separately from those of the company in an independently administered fund. The fund is a Group Personal Pension Scheme with NEST. The pension cost charge for the year represents contributions payable by the charity to the fund and amounted to £1,429 (2022: £1,945). At the year-end £284 was owed to the pension scheme (2022: £447).

20. RELATED PARTY DISCLOSURES

As previously reported the Charity will be pursuing a trading subsidiary for funeral undertaker duties, while it directly delivers faith-based bereavement related services. The related party funeral company known as Golden Hillock Islamic Funeral Services Ltd (registration number 11855508), has filed its accounts for the relevant years, and will be dissolving itself in the coming period. The related party funeral company known as Golden Hillock Islamic Funerals Ltd (registration number 12708494), which was dissolved on the 3 January 2023, has now sent by post, its 2-year accounts and associated paperwork to Companies House, and is now waiting for the decision to reinstate the Company. Thereafter the Company will be reinstated, with the intention to not to trade and stay dormant until the administrative tasks have been completed to allow the trading subsidiary to be registered. Any profits will be donated to the Charity. As agreed with the Commission the Charity will ensure that any administrative shortcomings or confusion between the relationship of the companies and the Charity that have been identified will no longer be prevalent, as a registered trading subsidiary will deliver undertaker duties.

We are aware that our congregation, beneficiaries, and the wider Muslim public would like to see this transition take place as soon as possible, and offer bereaved families a seamless service, at one of their most challenging times in losing a loved one. The interim measure of using a third-party undertaker has been reasonably effective, however far from ideal, and we expect by the summer to have the trading subsidiary offering said services, Insha' Allah (God-willing).

During the year to 31 March 2023 there have been no transactions between the charity and Golden Hillock Islamic Funeral Services Ltd (registration number 11855508 or Golden Hillock Islamic Funerals Ltd (registration number 12708494).

Dar UI Uloom Islamia Rizwia (Bralawai)

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

21. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

| | 31.3.23 | 31.3.22 |
|--|-------------------------|-------------------------|
| | £ | £ |
| Net expenditure for the reporting period (as per the Statement of Financial Activities) | (534,021) | (515,439) |
| Adjustments for: | | |
| Depreciation charges | 23,970 | 9,681 |
| Profit received | (9) | - |
| Return on investment | - | (168) |
| Decrease in debtors | 10,053 | 215,056 |
| (Decrease)/increase in creditors | (42,087) | 44,130 |
| Net cash used in operations | <u>(542,094)</u> | <u>(246,740)</u> |

22. ANALYSIS OF CHANGES IN NET FUNDS

| | At 1.4.22 | Cash flow | At 31.3.23 |
|--------------------------|-------------------------|-------------------------|-------------------------|
| | £ | £ | £ |
| Net cash | | | |
| Cash at bank and in hand | <u>2,214,976</u> | <u>(904,904)</u> | <u>1,310,072</u> |
| | <u>2,214,976</u> | <u>(904,904)</u> | <u>1,310,072</u> |
| Total | <u>2,214,976</u> | <u>(904,904)</u> | <u>1,310,072</u> |

23. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

| | 2023 | 2022 |
|---|-------------------------|-------------------------|
| | £ | £ |
| Financial assets measured at fair value through income and expenditure | | |
| Investment properties | <u>3,995,588</u> | <u>3,995,588</u> |

The net gains and net losses attributable to the charity's financial instruments are summarised as follows:

The net gain/(loss) recognised through net income/expenditure from financial assets measured at fair value (including changes in fair value) amounted to £nil (2022 - £nil).