

# THE AL-KHOEI BENEVOLENT FOUNDATION

England & Wales · Charity number 802000

## Details

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Other names	AL-KHOEI BENEVOLENT FOUNDATION
Status	Registered
Legal form	Trust
Registered	1989-08-23
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	Al-Khoei Foundation STONE HALL- Chevening Road London NW6 6TN
Phone	02073724049
Email	<a href="mailto:info@alkhoei.org">info@alkhoei.org</a>
Website	<a href="http://www.al-khoei.org">www.al-khoei.org</a>

## Activities

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**Objects:** TO ADVANCE THE ISLAMIC RELIGION BY ALL OR ANY OF THE FOLLOWING MEANS (1) PROVIDING AND MAINTAINING MOSQUES AND RELIGIOUS CENTRES FOR THE WORSHIP OF THE ISLAMIC RELIGION. (2) TEACHING AND EDUCATING YOUNG MEMBERS OF THE ISLAMIC COMMUNITY IN THE DOCTRINES AND PRACTICES OF THE ISLAMIC RELIGION.

**Activities:** The principal activity of the Charity is to promote the advance of the Islamic religion by all or any of the following means.- Providing and maintaining Mosques and religious centres for the worship of the Islamic religion.- Teaching and educating young members of the Islamic community in the doctrine and practices of the Islamic religion and Jurisprudence.

## Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Human Rights/religious Or Racial Harmony/equality Or Diversity, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

## Geography

- Iraq
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£2,487,781	£2,921,066	£9,426,947	85
2023-08-31	£2,429,938	£2,710,361	£9,860,232	85
2022-08-31	£3,762,852	£2,635,602	£10,140,655	89
2021-08-31	£3,982,319	£3,110,708	£9,013,405	97
2020-08-31	£3,157,382	£2,911,843	£8,141,794	97

## Trustees

Name	Role	Appointed
<b>Dr Mohammad Esmail Mesbahi</b>	Chair	2025-04-22
SAYED SAHEB KHOEI		
SEYED MOHAMMAD HASSAN FAGHIHE MOUSSAVI		2018-01-22

**THE AL-KHOEI BENEVOLENT FOUNDATION**

England & Wales - Charity number 802000

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# Accounts

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Report of the Trustees and  
Audited Financial Statements for the Year Ended 31 August 2024  
for  
The Al-Khoei Benevolent Foundation

Merali's  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

**The Al-Khoei Benevolent Foundation**

**Contents of the Financial Statements**  
**for the Year Ended 31 August 2024**

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# **The Al-Khoei Benevolent Foundation**

## **Report of the Trustees** **for the Year Ended 31 August 2024**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2024. 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**

The objects of the charity as set out in the charity's trust deed is to advance the Islamic religion by all or any of the following means:

- a) Providing and maintaining mosques and religious centres for the worship of Islamic religion.
- b) Teaching and educating young members of the Islamic community in the doctrines and practices of the Islamic religion.

#### **Strategies and Significant Activities**

The Charity in pursuance of its charitable aims and objectives carries out a wide range of activities in the following sectors:

- a) General charitable purposes
- b) Education and training
- c) The prevention or relief of poverty
- d) Religious activities

The charity concentrates its activities around children and young people; elderly and old people, and as well as general public.

The Charity operates mosques and religious centres at Brondesbury complex in North London, Swansea and Manchester. These mosques are open to the general public as place of worship for the followers of Islamic faith. Religious centres organises various religious activities and functions and provides information to raise the awareness of the Islamic faith.

The mosque and centre in Manchester is currently run by The Shia Welfare Association, an independent organisation.

The charity also operates Al-Sadiq school for boys, Al-Zahra school for girls and Al-Ghadeer nursery for pre school age children. All these institutions are licenced by the OFSTED and follows UK national curriculum. The schools provide full time education for up to 400 pupils. In addition, pupils attend classes in Islamic studies and Arabic, which take up around ten percentage of pupils time.

#### **Grantmaking**

The Charity administered collection and distribution of various religious dues like Khums, Zakat, Sadaqat in accordance with the teachings of Islamic faith.

The charity collects general donations and are distributed in pursuance of the Charity's objectives to support education and training, relief of poverty and various religious activities.

#### **Volunteers**

We encourage all members of our mosques and centres to be involved in voluntary activities and to share their skills with others. Volunteers are not paid any salaries but only reimbursed reasonable out of pocket expenses such as travel costs. All volunteers working with children or other vulnerable groups are CRB checked.

### **ACHIEVEMENT AND PERFORMANCE**

#### **How our activities deliver public benefit**

A wide range of activities are carried out in pursuance of the charitable aims and objectives. The trustees consider that these activities, summarised below, provide benefit to the wider community.

# **The Al-Khoei Benevolent Foundation**

## **Report of the Trustees** **for the Year Ended 31 August 2024**

### **ACHIEVEMENT AND PERFORMANCE**

#### **Religious activities**

Our mosques are open for prayers, worship and for the activities associated with our faith. The centres are open for the wider public.

During the year under review, we offer a range of religious services and activities including:

#### **Prayers**

Our mosques are available daily for prayers to the general public of Islamic faith. We have hundreds of people attending our mosque for prayers.

#### **Festivals**

The Mosques celebrate Ramadan and serve food for those attending our Mosques who wish to break their fast together. We also hold special events and serve food during the Islamic months of Muharram and Safar on the annual commemoration of the martyrdom of Imam Hussein, the grandson of Prophet Muhammad (PBUH).

The Mosques celebrate the birth and commemorate the martyrdom of all Imams of Shia Ishna Ashari faith during the year.

We hold weekly gathering in the mosques for worship, prayers and recitation of supplications every Thursday evening.

#### **Civil marriages**

The Mosques provide Muslim couples with an appropriate location for their civil marriage and Nikkah (Islamic marriage).

#### **Quran classes**

Memorisation and recitation of the Quran are considered important elements of religious education and training. We continue to provide this facility for young people in the mosque.

#### **Inter-faith events**

We encourage and lead by example the commemoration of national symbolic occasions like Remembrance Sunday.

We often hold public manifestation of our faith e.g. street walks to commemorate certain events such as the fortieth day after the massacre at Karbala (Arbaeen) or Good Friday processions, and thus are a significant opportunity to build bridges between different faiths by communicating the philosophy and principles they are based upon.

#### **Religious dues**

It is part of our faith that we should offer Zakat, Khums, and Sadaqat. They are collected in accordance with the teaching of Islam and distributed for a number of specific purposes including to help others and to further the teachings of Islam.

# **The Al-Khoei Benevolent Foundation**

## **Report of the Trustees** **for the Year Ended 31 August 2024**

### **ACHIEVEMENT AND PERFORMANCE**

#### **Community activities**

##### **Al-Sadiq and Al-Zahra School**

Well established schools that provide primary education in a mixed setting up to Year 2 and single sex education from Year 3 to Year 11. They are situated in the urban district of Brondesbury in the London Borough of Brent and provide full-time education for up to 400 pupils.

The schools are founded on the Quran and the teachings of the Prophet Mohammed and his Progeny. Through training in the art of building strong community relationships and taking effective public actions, the schools have given pupils the confidence to participate in public life for the good of their communities.

The School and Nursery also offers bursaries and discount on fees for families who are not able to afford to pay the full fees provided that the child demonstrates very good academic history. The school fees is set up in a way not to exclude those on lower income.

##### **Al-Ghadeer Nursery**

We strive to support and provide children with the necessary skills to help enable them develop a good foundation in learning and expressing themselves through play. This in turn helps children to acquire independence, confidence and effective communication.

#### **Halls and rooms**

Our halls and rooms are available to use by local groups, organisations and communities.

#### **Prison service**

The charity is a member of the prison service chaplaincy council acting as advisory role for Shia Muslim prisoners in HM Prisons. It also nominates sessional and part time Shia chaplains to the prison service to supplement chaplaincy services already offered to Muslim prisoners.

#### **Youth Activities**

The Charity offers facilities for youth to gather and involve in educational and sports activities and to develop the youth to be active and law abiding members of the community.

#### **Women**

Women and family programme at mosques offer advice and counselling for couples and empowering women in society offering them educational and sports facilities.

The Charity also runs an academic arm to deal with research on the Shia community and other religious communities and raises the concerns of religious and ethnic minorities at different forums.

#### **Interfaith events**

The Charity is a member of Faith Forum for London and contributes to the cohesion and the needs of faith communities in London.

The Charity is a member of the Religious Education Council and is involved in the development of religious education curriculum and takes part in activities and celebrations of other faiths and regularly holds community events and sharing of food, Iftar.

#### **MINAB**

The Charity is one of the founding member and hosts the offices of the Mosques and Imams National Advisory Board on its premises. MINAB aims to raise standards in mosques and the training of Imams.

#### **Centre for Academic Shia Studies**

The academic arm of MINAB (Cass) undertakes research on Shia and other religious minority affairs, produces papers and briefing documents.

### **FINANCIAL REVIEW**

#### **Principal funding sources**

One of the Charity's main sources of income is the collection of donations and religious dues from general public. During the year the Charity received total donations and religious dues of £838,232 (2023: £712,985)

Reasonable fees are charged to students for the schools. During the year the Charity generated total school income of £1,481,330 (2023: £1,557,815).

The foundation also operates a fee paying nursery. During the year, the Charity generated total nursery fee income of £152,930 (2023: £137,273).

# **The Al-Khoei Benevolent Foundation**

## **Report of the Trustees** **for the Year Ended 31 August 2024**

### **FINANCIAL REVIEW**

#### **Investment policy and objectives**

The Charity's cash reserves are held in current and saving bank accounts. Any interest earned is added to the general fund reserve and used for the general charitable purposes.

#### **Reserves policy**

Unrestricted funds reserve is maintained to cover governance costs and to respond to various application of grants and donations.

Restricted fund reserve are held to be used within certain restrictions of the relevant funds.

Endowment fund reserve represents the total cost of certain properties after annual depreciation charge.

In setting up the Charity reserve policy, the trustees have identified two unrestricted funds as detailed in the notes. The restricted funds are distributed strictly in accordance with the religious restrictions or other restrictions imposed on the relevant fund.

They have also set up an Endowment fund for certain properties owned by the Charity.

The charity policy on unrestricted funds is to hold unrestricted funds not committed or invested in Tangible Fixed Assets to meet 3 to 6 months expenditures.

The current unrestricted funds of £2,945,379 not committed to tangible fixed assets are sufficient to cover 3 to 6 months expenditure.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

The Al-Khoei Benevolent Foundation was constituted as a charitable trust with the Charity Commission on 23 August 1989 under the charity number 0802000. It is governed by a deed of trust dated 15 August 1989.

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

Trustees are appointed by resolution of the existing trustees.

#### **Organisational structure**

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits.

The trustees meet together as a body and are responsible for all decisions taken in relation to the affairs of The Al-khoei Foundation in the United Kingdom. The board is chaired by the Secretary General, who is one of the trustees.

The trustees seek spiritual guidance and inspiration in religious matters from both the Central Committee and the President in recognition of their religious status. They merely endorse religious matters and are not involved in daily running of the charity. They do not have any influence over the trustees.

The Central Committee is an honorary committee based in the holy city of Najaf, Iraq.

The president is an Honorary title given to Ayatollah of the Shia faith who is also based in Najaf, Iraq.

#### **Induction and training of new trustees**

Following appointment, new trustees are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided including the guidance on charities and public benefit and on the advancement of the religion for public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with existing trustees assisting on particular activities and projects run by the Charity. After satisfactory feedback from existing trustees they are then given the task of leading a particular activity or project, reporting progress at trustees' meetings.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **Registered Charity number**

802000

#### **Principal address**

Chevening Road  
London  
NW6 6TN

## The Al-Khoei Benevolent Foundation

### Report of the Trustees for the Year Ended 31 August 2024

#### **Trustees**

Mr S S Khoei  
Mr S F H Milani (deceased 2.9.2024)  
Mr S M H Faghihe-Moussavi  
Dr M E Mesbahi (appointed 22.4.2025)

#### **Auditors**

Merali's  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

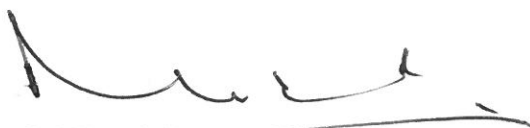
The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Approved by order of the board of trustees on 30 June 2025 and signed on its behalf by:



Dr M E Mesbahi - Trustee

## **Report of the Independent Auditors to the Trustees of The Al-Khoei Benevolent Foundation**

### **Opinion**

We have audited the financial statements of The Al-Khoei Benevolent Foundation (the 'charity') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 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; 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.

### **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.

## **Report of the Independent Auditors to the Trustees of The Al-Khoei Benevolent Foundation**

### **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:

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

### **Identifying and assessing potential risks related to irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management and trustees including obtaining and reviewing supporting documentation concerning the charity's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.
- obtaining an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the charity. The key laws and regulations we considered in this context included the Charities Act 2011 and Charities SORP (FRS 102).

### **Audit response to risks identified**

As a result of performing the above, we identified management override of controls, revenue recognition including occurrence and classification of donation and school income and the occurrence and classification of donation payments as key audit matters.

Our procedures to respond to risks identified included the following:

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the charity's rationale of any significant transactions that are unusual or outside the normal course of business.
- Substantive testing on donation income and school income.
- Substantive testing on donation payments to ensure such payments are properly authorised, paid in accordance with the purpose and conditions of grants (no misapplication of restricted funds), payments are within the objectives of the charity and accurate allocation across funds.

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

**Report of the Independent Auditors to the Trustees of**  
**The Al-Khoei Benevolent Foundation**

**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.



Mera Ys  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

30 June 2025

**The Al-Khoei Benevolent Foundation**

**Statement of Financial Activities**  
**for the Year Ended 31 August 2024**

		<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>funds</b>	<b>funds</b>	<b>fund</b>	<b>Total</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>funds</b>	<b>funds</b>
					<b>£</b>	<b>£</b>
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	715,655	122,576	-	838,231	712,985
<b>Charitable activities</b>						
Schools operations	4	1,481,330	-	-	1,481,330	1,557,815
Nursery Operations		152,390	-	-	152,390	137,273
DFID		-	-	-	-	21,865
Investment income	3	13,641	-	-	13,641	-
Other income		2,189	-	-	2,189	-
<b>Total</b>		<b>2,365,205</b>	<b>122,576</b>	<b>-</b>	<b>2,487,781</b>	<b>2,429,938</b>
<b>EXPENDITURE ON Charitable activities</b>						
Schools operations	5	1,646,572	-	-	1,646,572	1,626,342
Grants and Donations		676,145	104,355	-	780,500	584,095
Support costs		319,915	6,952	40,057	366,924	390,230
Nursery Operations		127,070	-	-	127,070	103,137
DFID		-	-	-	-	6,557
<b>Total</b>		<b>2,769,702</b>	<b>111,307</b>	<b>40,057</b>	<b>2,921,066</b>	<b>2,710,361</b>
<b>NET INCOME/(EXPENDITURE)</b>						
Transfers between funds	15	(404,497)	11,269	(40,057)	(433,285)	(280,423)
		(263,713)	(102,723)	366,436	-	-
<b>Net movement in funds</b>		<b>(668,210)</b>	<b>(91,454)</b>	<b>326,379</b>	<b>(433,285)</b>	<b>(280,423)</b>
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		3,676,597	132,646	6,050,989	9,860,232	10,140,655
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>3,008,387</b>	<b>41,192</b>	<b>6,377,368</b>	<b>9,426,947</b>	<b>9,860,232</b>


The notes form part of these financial statements

**The Al-Khoei Benevolent Foundation**

**Balance Sheet**  
**31 August 2024**

		<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>2024</b>	<b>2023</b>
	<b>Notes</b>	<b>funds</b>	<b>funds</b>	<b>fund</b>	<b>Total</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>funds</b>	<b>funds</b>
					<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>						
Tangible assets	12	63,009	-	6,377,368	6,440,377	6,064,680
<b>CURRENT ASSETS</b>						
Debtors	13	163,053	-	-	163,053	187,752
Cash at bank and in hand		3,233,804	73,748	-	3,307,552	3,989,594
		<u>3,396,857</u>	<u>73,748</u>	<u>-</u>	<u>3,470,605</u>	<u>4,177,346</u>
<b>CREDITORS</b>						
Amounts falling due within one year	14	(451,479)	(32,556)	-	(484,035)	(381,794)
<b>NET CURRENT ASSETS</b>		<u>2,945,378</u>	<u>41,192</u>	<u>-</u>	<u>2,986,570</u>	<u>3,795,552</u>
<b>TOTAL ASSETS LESS</b>						
<b>CURRENT LIABILITIES</b>		3,008,387	41,192	6,377,368	9,426,947	9,860,232
<b>NET ASSETS</b>		<u>3,008,387</u>	<u>41,192</u>	<u>6,377,368</u>	<u>9,426,947</u>	<u>9,860,232</u>
<b>FUNDS</b>	15					
Unrestricted funds					3,008,387	3,676,597
Restricted funds					41,192	132,646
Endowment funds					6,377,368	6,050,989
<b>TOTAL FUNDS</b>					<u>9,426,947</u>	<u>9,860,232</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 30 June 2025 and were signed on its behalf by:

  
Dr M E Mesbahi - Trustee

The notes form part of these financial statements

**The Al-Khoei Benevolent Foundation**

**Cash Flow Statement**  
**for the Year Ended 31 August 2024**

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(259,074)	(293,953)
Net cash used in operating activities		<u>(259,074)</u>	<u>(293,953)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(436,609)	(1,905)
Interest received		13,641	-
Net cash used in investing activities		<u>(422,968)</u>	<u>(1,905)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(682,042)</u>	<u>(295,858)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>3,989,594</u>	<u>4,285,452</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>3,307,552</u></u>	<u><u>3,989,594</u></u>

The notes form part of these financial statements

## The Al-Khoei Benevolent Foundation

### Notes to the Cash Flow Statement for the Year Ended 31 August 2024

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES	2024	2023
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(433,285)	(280,423)
Adjustments for:		
Depreciation charges	60,912	50,015
Interest received	(13,641)	-
Decrease in debtors	24,699	53,072
Increase/(decrease) in creditors	102,241	(116,617)
Net cash used in operations	<u>(259,074)</u>	<u>(293,953)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS	At 1/9/23	Cash flow	At 31/8/24
	£	£	£
Net cash			
Cash at bank and in hand	3,989,594	(682,042)	3,307,552
	<u>3,989,594</u>	<u>(682,042)</u>	<u>3,307,552</u>
Total	<u>3,989,594</u>	<u>(682,042)</u>	<u>3,307,552</u>

The notes form part of these financial statements

# The Al-Khoei Benevolent Foundation

## Notes to the Financial Statements for the Year Ended 31 August 2024

### 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.

#### **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.

#### **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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### **Charitable activities**

Charitable activities cost comprises all the operating expenses for its charitable activities like School, Nursery, DFID and general disbursements of grants and donations.

Grants and donations represent donation paid out in accordance with the Charity's objectives.

DFID is a research project which Al-Khoei is engaged in by Institute of Development Studies to gather information and carry out research work on shia muslim minorities in various countries around the world.

School and nursery costs represent the total direct costs for running and maintaining both the schools and nursery.

#### **Allocation and apportionment of costs**

Support cost include administrative cost relates to the foundation and have been allocated to activity cost categories on a basis consistent with the use of resources.

#### **Intangible assets**

Intangible assets are stated at initial cost less any permanent impairments.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Freehold properties in London	Cost of building over 50 years
Freehold properties in Swansea	Cost of building over 25 years
Freehold property in Manchester	Cost of building over 15 years
School Equipment	20% on cost
Fixtures and fittings	15% on cost
Office equipment	20% on cost

#### **Fund accounting**

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment fund represents the properties held by the charity and depreciation relating to the property are charged against the fund.

## The Al-Khoei Benevolent Foundation

### Notes to the Financial Statements - continued for the Year Ended 31 August 2024

#### 1. ACCOUNTING POLICIES - continued

##### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

##### Government grants

Grants are accounted for under the accruals model permitted by FRS 102. Grants of revenue nature are recognised in the Statement of Financial Activities in the same period as the related expenditure. Any accrued elements of grants is included in debtors as accrued income.

##### Going concern

Trustees believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. Trustees have considered the operational and financial factors for a period of twelve months from the date of approval of the financial statements.

For the above reason, the trustees continue to adopt the going concern basis in preparing these financial statements.

#### 2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations and Religious dues	819,099	694,871
Gift aid	19,132	18,114
	838,231	712,985

#### 3. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	13,641	-
	13,641	-

#### 4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2024	2023
		£	£
School & Nursery Fee Income	Schools operations	1,376,860	1,452,783
School Other Income	Schools operations	104,470	105,032
School & Nursery Fee Income	Nursery Operations	152,390	137,273
Grant - DFID	DFID	-	21,865
		1,633,720	1,716,953

#### 5. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£	£
Schools operations	1,646,572	-	-	1,646,572
Grants and Donations	-	780,500	-	780,500
Support costs	84,080	-	282,844	366,924
Nursery Operations	127,070	-	-	127,070
	1,857,722	780,500	282,844	2,921,066

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2024**

6. GRANTS PAYABLE

	2024	2023
	£	£
Grants and Donations	780,500	584,095

The total grants paid to institutions during the year were £680,467 (2023 - £557,416)

7. SUPPORT COSTS

	Management	Finance	Other	Totals
	£	£	£	£
Support costs	217,187	11,477	54,180	282,844

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

**Management**

	2024	2023
	<b>Support costs</b>	<b>Total activities</b>
	£	£
Wages & salaries - Foundation	119,540	159,995
Rates and water	1,251	638
Light and heat	10,208	8,792
Telephone	3,177	1,271
Postage and stationery	62	407
Travelling	4,152	3,781
Sundries	714	22
Accountancy and audit fees	13,000	11,600
Publication expenses	3,410	6,152
Repairs & Maintenance	790	1,605
Subscriptions	4,013	2,826
Subsistence	396	915
Advertising	6,256	3,467
Book keeping fees	21,000	16,000
Legal & professional fees	29,218	16,445
	<u>217,187</u>	<u>233,916</u>

**Finance**

	2024	2023
	<b>Support costs</b>	<b>Total activities</b>
	£	£
Bank charges	1,444	1,326
Foreign exchange loss/(gains)	10,033	566
	<u>11,477</u>	<u>1,892</u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2024**

**7. SUPPORT COSTS - continued**  
**Other**

	<b>2024</b>	<b>2023</b>
	<b>Support costs</b>	<b>Total activities</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	54,180	44,292
	<u>54,180</u>	<u>44,292</u>

**8. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2024 nor for the year 31 August 2023.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2024 nor for the year ended 31 August 2023.

**9. STAFF COSTS**

The total wages and salaries for the year was as follows

	31/08/24	31/08/23
	£	£
Foundation	79,038	132,346
Mosque	40,502	39,039
School	1,264,061	1,211,524
Nursery	113,531	97,723
	<u>1,497,132</u>	<u>1,480,632</u>

The average number of employees during the year was as follows

	31/08/24	31/08/23
Foundation	9	12
Mosque	3	3
School	63	61
Nursery	10	9
	<u>85</u>	<u>85</u>

There were 8 average number of volunteers during the year.

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

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds	Restricted funds	Endowment fund	Total funds
	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	417,845	295,140	-	712,985
<b>Charitable activities</b>				
Schools operations	1,557,815	-	-	1,557,815
Nursery Operations	137,273	-	-	137,273
DFID	-	21,865	-	21,865
<b>Total</b>	<u>2,112,933</u>	<u>317,005</u>	<u>-</u>	<u>2,429,938</u>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Schools operations	1,626,342	-	-	1,626,342

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2024**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Endowment fund</b>	<b>Total funds</b>
	£	£	£	£
Grants and Donations	343,567	240,528	-	584,095
Support costs	349,626	3,991	36,613	390,230
Nursery Operations	103,137	-	-	103,137
DFID	-	6,557	-	6,557
<b>Total</b>	<b>2,422,672</b>	<b>251,076</b>	<b>36,613</b>	<b>2,710,361</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>(309,739)</b>	<b>65,929</b>	<b>(36,613)</b>	<b>(280,423)</b>
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	3,986,336	66,717	6,087,602	10,140,655
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>3,676,597</b>	<b>132,646</b>	<b>6,050,989</b>	<b>9,860,232</b>

11. INTANGIBLE FIXED ASSETS

	<b>Trademarks</b>
	£
<b>COST</b>	
At 1 September 2023 and 31 August 2024	3,450
<b>AMORTISATION</b>	
At 1 September 2023 and 31 August 2024	3,450
<b>NET BOOK VALUE</b>	
At 31 August 2024	-
At 31 August 2023	-

12. TANGIBLE FIXED ASSETS

	<b>Freehold properties</b>	<b>School Equipments</b>	<b>Fixtures and fittings</b>	<b>Office equipment</b>	<b>Totals</b>
	£	£	£	£	£
<b>COST</b>					
At 1 September 2023	6,877,468	284,122	299,504	518,012	7,979,106
Additions	366,437	-	15,026	55,146	436,609
At 31 August 2024	7,243,905	284,122	314,530	573,158	8,415,715
<b>DEPRECIATION</b>					
At 1 September 2023	826,479	284,122	291,437	512,388	1,914,426
Charge for year	40,058	-	6,731	14,123	60,912
At 31 August 2024	866,537	284,122	298,168	526,511	1,975,338
<b>NET BOOK VALUE</b>					
At 31 August 2024	6,377,368	-	16,362	46,647	6,440,377
At 31 August 2023	6,050,989	-	8,067	5,624	6,064,680

Included above in total net book value is cost of land amounting to £5,457,496 (2023: £5,252,160).

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2024**

<b>13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		<b>2024</b>	<b>2023</b>	
		<b>£</b>	<b>£</b>	
Trade debtors		43,305	87,873	
Other debtors		60,559	41,089	
Inter-funds temporary balances		32,557	34,657	
Prepayments		26,632	24,133	
		<u>163,053</u>	<u>187,752</u>	
<b>14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		<b>2024</b>	<b>2023</b>	
		<b>£</b>	<b>£</b>	
Trade creditors		53,256	50,490	
Social security and other taxes		17,259	20,541	
Other creditors		7,809	384	
Inter fund ALKW		(4,541)	7,101	
Inter fund DFID		37,098	130,278	
Inter fund SADAAT		-	(102,723)	
Deferred income		352,417	256,035	
Accrued expenses		20,737	19,688	
		<u>484,035</u>	<u>381,794</u>	
<b>15. MOVEMENT IN FUNDS</b>				
	<b>At 1/9/23</b>	<b>Net movement in funds</b>	<b>Transfers between funds</b>	<b>At 31/8/24</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>				
General Fund	3,374,573	(395,009)	(366,436)	2,613,128
Khums Sehem Imam	302,024	(11,237)	-	290,787
Khums Sehem Sadaat	-	1,749	102,723	104,472
	<u>3,676,597</u>	<u>(404,497)</u>	<u>(263,713)</u>	<u>3,008,387</u>
<b>Restricted funds</b>				
Sehem Sadaat-closed	102,723	-	(102,723)	-
Al-Kawthar/Orphans & Widows	12,521	11,269	-	23,790
DFID Fund	17,402	-	-	17,402
	<u>132,646</u>	<u>11,269</u>	<u>(102,723)</u>	<u>41,192</u>
<b>Endowment funds</b>				
Endowment Fund	6,050,989	(40,057)	366,436	6,377,368
	<u>9,860,232</u>	<u>(433,285)</u>	<u>-</u>	<u>9,426,947</u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2024**

15. **MOVEMENT IN FUNDS - continued**

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

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	£	£	£
<b>Unrestricted funds</b>			
General Fund	2,169,592	(2,564,601)	(395,009)
Khums Sehem Imam	193,864	(205,101)	(11,237)
Khums Sehem Sadaat	1,749	-	1,749
	<u>2,365,205</u>	<u>(2,769,702)</u>	<u>(404,497)</u>
<b>Restricted funds</b>			
Al-Kawthar/Orphans & Widows	122,576	(111,307)	11,269
<b>Endowment funds</b>			
Endowment Fund	-	(40,057)	(40,057)
<b>TOTAL FUNDS</b>	<u><u>2,487,781</u></u>	<u><u>(2,921,066)</u></u>	<u><u>(433,285)</u></u>

**Comparatives for movement in funds**

	<b>At 1/9/22</b>	<b>Net movement in funds</b>	<b>At 31/8/23</b>
	£	£	£
<b>Unrestricted funds</b>			
General Fund	3,654,664	(280,091)	3,374,573
Khums Sehem Imam	331,672	(29,648)	302,024
	<u>3,986,336</u>	<u>(309,739)</u>	<u>3,676,597</u>
<b>Restricted funds</b>			
Sehem Sadaat-closed	53,692	49,031	102,723
Al-Kawthar/Orphans & Widows	10,931	1,590	12,521
DFID Fund	2,094	15,308	17,402
	<u>66,717</u>	<u>65,929</u>	<u>132,646</u>
<b>Endowment funds</b>			
Endowment Fund	6,087,602	(36,613)	6,050,989
<b>TOTAL FUNDS</b>	<u><u>10,140,655</u></u>	<u><u>(280,423)</u></u>	<u><u>9,860,232</u></u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2024**

15. **MOVEMENT IN FUNDS - continued**

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

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General Fund	2,012,971	(2,293,062)	(280,091)
Khums Sehem Imam	99,962	(129,610)	(29,648)
	<u>2,112,933</u>	<u>(2,422,672)</u>	<u>(309,739)</u>
<b>Restricted funds</b>			
Sehem Sadaat-closed	99,963	(50,932)	49,031
Al-Kawthar/Orphans & Widows	195,177	(193,587)	1,590
DFID Fund	21,865	(6,557)	15,308
	<u>317,005</u>	<u>(251,076)</u>	<u>65,929</u>
<b>Endowment funds</b>			
Endowment Fund	-	(36,613)	(36,613)
	<u>-</u>	<u>(36,613)</u>	<u>(36,613)</u>
<b>TOTAL FUNDS</b>	<u><u>2,429,938</u></u>	<u><u>(2,710,361)</u></u>	<u><u>(280,423)</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	<b>At 1/9/22</b>	<b>Net movement in funds</b>	<b>Transfers between funds</b>	<b>At 31/8/24</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>				
General Fund	3,654,664	(675,100)	(366,436)	2,613,128
Khums Sehem Imam	331,672	(40,885)	-	290,787
Khums Sehem Sadaat	-	1,749	102,723	104,472
	<u>3,986,336</u>	<u>(714,236)</u>	<u>(263,713)</u>	<u>3,008,387</u>
<b>Restricted funds</b>				
Sehem Sadaat-closed	53,692	49,031	(102,723)	-
Al-Kawthar/Orphans & Widows	10,931	12,859	-	23,790
DFID Fund	2,094	15,308	-	17,402
	<u>66,717</u>	<u>77,198</u>	<u>(102,723)</u>	<u>41,192</u>
<b>Endowment funds</b>				
Endowment Fund	6,087,602	(76,670)	366,436	6,377,368
	<u>6,087,602</u>	<u>(76,670)</u>	<u>366,436</u>	<u>6,377,368</u>
<b>TOTAL FUNDS</b>	<u><u>10,140,655</u></u>	<u><u>(713,708)</u></u>	<u><u>-</u></u>	<u><u>9,426,947</u></u>

## The Al-Khoei Benevolent Foundation

### Notes to the Financial Statements - continued for the Year Ended 31 August 2024

#### 15. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General Fund	4,182,563	(4,857,663)	(675,100)
Khums Sehem Imam	293,826	(334,711)	(40,885)
Khums Sehem Sadaat	1,749	-	1,749
	<hr/>	<hr/>	<hr/>
	4,478,138	(5,192,374)	(714,236)
<b>Restricted funds</b>			
Sehem Sadaat-closed	99,963	(50,932)	49,031
Al-Kawthar/Orphans & Widows	317,753	(304,894)	12,859
DFID Fund	21,865	(6,557)	15,308
	<hr/>	<hr/>	<hr/>
	439,581	(362,383)	77,198
<b>Endowment funds</b>			
Endowment Fund	-	(76,670)	(76,670)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<b>4,917,719</b>	<b>(5,631,427)</b>	<b>(713,708)</b>

The endowment fund represents net book value of certain freehold properties.

The Unrestricted funds are the receipts and expenditure of the charity for its objectives without specific restriction on its use. It is represented by the charities net current and its other tangible assets.

The Restricted funds are specific funds for specific purposes. The balance is represented by net relevant current assets and its other tangible assets..

#### 16. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The charity contributed in pension £20,216 (2023: £17,384) during the year.

#### 17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2024.

**The Al-Khoei Benevolent Foundation**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 August 2024**

	2024	2023
	£	£
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations and Religious dues	819,099	694,871
Gift aid	19,132	18,114
	838,231	712,985
<b>Investment income</b>		
Deposit account interest	13,641	-
<b>Charitable activities</b>		
School & Nursery Fee Income	1,529,250	1,590,056
School Other Income	104,470	105,032
Grant - DFID	-	21,865
	1,633,720	1,716,953
<b>Other income</b>		
Other income	2,189	-
	2,487,781	2,429,938
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Misc school expenses	56,907	76,541
Printing postage & stationery	30,968	16,092
Light and heat	69,231	115,667
Transport and travel	2,130	162
Telephone	8,900	8,293
Rates	26,849	28,804
Repairs & Maintenance	18,512	26,900
Legal & Professional	90	4,192
Wages & salaries - School	1,264,061	1,211,524
Bank charges and interest	1,279	1,248
Depreciation	6,731	5,723
Cleaning	6,554	7,584
Insurance	30,288	31,394
Staff Training	36,059	26,821
Misc nursery expenses	13,539	5,414
Wages & Salaries - Nursery	113,531	97,723
Subscription	18,468	15,484
School meal - expenses	51,147	40,787
Saturday school expenses	47,798	45,264
Wages and salaries - DFID	-	5,389
Travelling - DFID	-	184
Legal & prof. fees - DFID	-	427
Swansea Mosque expenses	11,740	27,424
Sermon food	42,940	46,568
Iraq Expenses - DFID	-	557
Donations to institutions	680,467	557,416
Carried forward	2,538,189	2,403,582

This page does not form part of the statutory financial statements

**The Al-Khoei Benevolent Foundation**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 August 2024**

	2024	2023
	£	£
<b>Charitable activities</b>		
Brought forward	2,538,189	2,403,582
Donation payments	100,033	26,679
	<hr/>	<hr/>
	2,638,222	2,430,261
<b>Support costs</b>		
<b>Management</b>		
Wages & salaries - Foundation	119,540	159,995
Rates and water	1,251	638
Light and heat	10,208	8,792
Telephone	3,177	1,271
Postage and stationery	62	407
Travelling	4,152	3,781
Sundries	714	22
Accountancy and audit fees	13,000	11,600
Publication expenses	3,410	6,152
Repairs & Maintenance	790	1,605
Subscriptions	4,013	2,826
Subsistence	396	915
Advertising	6,256	3,467
Book keeping fees	21,000	16,000
Legal & professional fees	29,218	16,445
	<hr/>	<hr/>
	217,187	233,916
<b>Finance</b>		
Bank charges	1,444	1,326
Foreign exchange loss/(gains)	10,033	566
	<hr/>	<hr/>
	11,477	1,892
<b>Other</b>		
Freehold property	40,057	36,613
Fixtures and fittings	14,123	7,679
	<hr/>	<hr/>
	54,180	44,292
Total resources expended	<hr/>	<hr/>
	2,921,066	2,710,361
<b>Net expenditure</b>	<hr/>	<hr/>
	(433,285)	(280,423)

This page does not form part of the statutory financial statements

**THE AL-KHOEI BENEVOLENT FOUNDATION**

England & Wales - Charity number 802000

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# Accounts

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REGISTERED CHARITY NUMBER: 802000

**Report of the Trustees and**  
**Audited Financial Statements for the Year Ended 31 August 2023**  
**for**  
**The Al-Khoei Benevolent Foundation**

Merali's  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

**The Al-Khoei Benevolent Foundation**

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

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# **The Al-Khoei Benevolent Foundation**

## **Report of the Trustees for the Year Ended 31 August 2023**

The trustees present their report with the financial statements of the charity for the year ended 31 August 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**

The objects of the charity as set out in the charity's trust deed is to advance the Islamic religion by all or any of the following means:

- a) Providing and maintaining mosques and religious centres for the worship of Islamic religion.
- b) Teaching and educating young members of the Islamic community in the doctrines and practices of the Islamic religion.

#### **Strategies and Significant Activities**

The Charity in pursuance of its charitable aims and objectives carries out a wide range of activities in the following sectors:

- a) General charitable purposes
- b) Education and training
- c) The prevention or relief of poverty
- d) Religious activities

The charity concentrates its activities around children and young people; elderly and old people, and as well as general public.

The Charity operates mosques and religious centres at Brondesbury complex in North London, Swansea and Manchester. These mosques are open to the general public as place of worship for the followers of Islamic faith. Religious centres organises various religious activities and functions and provides information to raise the awareness of the Islamic faith.

The mosque and centre in Manchester is currently run by The Shia Welfare Association, an independent organisation.

The charity also operates Al-Sadiq school for boys, Al-Zahra school for girls and Al-Ghadeer nursery for pre school age children. All these institutions are licenced by the OFSTED and follows UK national curriculum. The schools provide full time education for up to 400 pupils. In addition, pupils attend classes in Islamic studies and Arabic, which take up around ten percentage of pupils time.

#### **Grantmaking**

The Charity administered collection and distribution of various religious dues like Khums, Zakat, Sadaqat in accordance with the teachings of Islamic faith.

The charity collects general donations and are distributed in pursuance of the Charity's objectives to support education and training, relief of poverty and various religious activities.

#### **Volunteers**

We encourage all members of our mosques and centres to be involved in voluntary activities and to share their skills with others. Volunteers are not paid any salaries but only reimbursed reasonable out of pocket expenses such as travel costs. All volunteers working with children or other vulnerable groups are CRB checked.

### **ACHIEVEMENT AND PERFORMANCE**

#### **How our activities deliver public benefit**

A wide range of activities are carried out in pursuance of the charitable aims and objectives. The trustees consider that these activities, summarised below, provide benefit to the wider community.

## **The Al-Khoei Benevolent Foundation**

### **Report of the Trustees** **for the Year Ended 31 August 2023**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Religious activities**

Our mosques are open for prayers, worship and for the activities associated with our faith. The centres are open for the wider public.

During the year under review, we offer a range of religious services and activities including:

##### **Prayers**

Our mosques are available daily for prayers to the general public of Islamic faith. We have hundreds of people attending our mosque for prayers.

##### **Festivals**

The Mosques celebrate Ramadan and serve food for those attending our Mosques who wish to break their fast together. We also hold special events and serve food during the Islamic months of Muharram and Safar on the annual commemoration of the martyrdom of Imam Hussein, the grandson of Prophet Muhammad (PBUH).

The Mosques celebrate the birth and commemorate the martyrdom of all Imams of Shia Ishna Ashari faith during the year.

We hold weekly gathering in the mosques for worship, prayers and recitation of supplications every Thursday evening.

##### **Civil marriages**

The Mosques provide Muslim couples with an appropriate location for their civil marriage and Nikkah (Islamic marriage).

##### **Quran classes**

Memorisation and recitation of the Quran are considered important elements of religious education and training. We continue to provide this facility for young people in the mosque.

##### **Inter-faith events**

We encourage and lead by example the commemoration of national symbolic occasions like Remembrance Sunday.

We often hold public manifestation of our faith e.g. street walks to commemorate certain events such as the fortieth day after the massacre at Karbala (Arbaeen) or Good Friday processions, and thus are a significant opportunity to build bridges between different faiths by communicating the philosophy and principles they are based upon.

##### **Religious dues**

It is part of our faith that we should offer Zakat, Khums, and Sadaqat. They are collected in accordance with the teaching of Islam and distributed for a number of specific purposes including to help others and to further the teachings of Islam.

## **The Al-Khoei Benevolent Foundation**

### **Report of the Trustees for the Year Ended 31 August 2023**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Community activities**

##### **Al-Sadiq and Al-Zahra School**

Well established schools that provide primary education in a mixed setting up to Year 2 and single sex education from Year 3 to Year 11. They are situated in the urban district of Brondesbury in the London Borough of Brent and provide full-time education for up to 400 pupils.

The schools are founded on the Quran and the teachings of the Prophet Mohammed and his Progeny. Through training in the art of building strong community relationships and taking effective public actions, the schools have given pupils the confidence to participate in public life for the good of their communities.

The School and Nursery also offers bursaries and discount on fees for families who are not able to afford to pay the full fees provided that the child demonstrates very good academic history. The school fees is set up in a way not to exclude those on lower income.

##### **Al-Ghadeer Nursery**

We strive to support and provide children with the necessary skills to help enable them develop a good foundation in learning and expressing themselves through play. This in turn helps children to acquire independence, confidence and effective communication.

##### **Halls and rooms**

Our halls and rooms are available to use by local groups, organisations and communities.

##### **Prison service**

The charity is a member of the prison service chaplaincy council acting as advisory role for Shia Muslim prisoners in HM Prisons. It also nominates sessional and part time Shia chaplains to the prison service to supplement chaplaincy services already offered to Muslim prisoners.

##### **Youth Activities**

The Charity offers facilities for youth to gather and involve in educational and sports activities and to develop the youth to be active and law abiding members of the community.

##### **Women**

Women and family programme at mosques offer advice and counselling for couples and empowering women in society offering them educational and sports facilities.

The Charity also runs an academic arm to deal with research on the Shia community and other religious communities and raises the concerns of religious and ethnic minorities at different forums.

##### **Interfaith events**

The Charity is a member of Faith Forum for London and contributes to the cohesion and the needs of faith communities in London.

The Charity is a member of the Religious Education Council and is involved in the development of religious education curriculum and takes part in activities and celebrations of other faiths and regularly holds community events and sharing of food, Iftar.

##### **MINAB**

The Charity is one of the founding member and hosts the offices of the Mosques and Imams National Advisory Board on its premises. MINAB aims to raise standards in mosques and the training of Imams.

##### **Centre for Academic Shia Studies**

The academic arm of MINAB (Cass) undertakes research on Shia and other religious minority affairs, produces papers and briefing documents.

## **The Al-Khoei Benevolent Foundation**

### **Report of the Trustees** **for the Year Ended 31 August 2023**

#### **FINANCIAL REVIEW**

##### **Principal funding sources**

One of the Charity's main sources of income is the collection of donations and religious dues from general public. During the year the Charity received total donations and religious dues of £712,985 (2022: £584,244). Reasonable fees are charged to students for the schools. During the year the Charity generated total school income of £1,557,815 (2022: £1,567,241).

The foundation also operates a fee paying nursery. During the year, the Charity generated total nursery fee income of £137,273 (2022: £129,333).

The Charity is involved in DFID research project headed by Institute of Development Studies. During the year, the Charity generated total DFID grant income of £21,865 (2022: £213,522). The project ended in December 2022.

##### **Investment policy and objectives**

The Charity's cash reserves are held in current and saving bank accounts. Any interest earned is added to the general fund reserve and used for the general charitable purposes.

##### **Reserves policy**

Unrestricted funds reserve is maintained to cover governance costs and to respond to various application of grants and donations.

Restricted fund reserve are held to be used within certain restrictions of the relevant funds.

Endowment fund reserve represents the total cost of certain properties after annual depreciation charge.

In setting up the Charity reserve policy, the trustees have identified two unrestricted funds as detailed in the notes. The restricted funds are distributed strictly in accordance with the religious restrictions or other restrictions imposed on the relevant fund.

They have also set up an Endowment fund for certain properties owned by the Charity.

The charity policy on unrestricted funds is to hold unrestricted funds not committed or invested in Tangible Fixed Assets to meet 3 to 6 months expenditures.

The current unrestricted funds of £3,662,906 not committed to tangible fixed assets are sufficient to cover 3 to 6 months expenditure.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Al-Khoei Benevolent Foundation was constituted as a charitable trust with the Charity Commission on 23 August 1989 under the charity number 0802000. It is governed by a deed of trust dated 15 August 1989.

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

Trustees are appointed by resolution of the existing trustees.

##### **Organisational structure**

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits.

The trustees meet together as a body and are responsible for all decisions taken in relation to the affairs of The Al-Khoei Foundation in the United Kingdom. The board is chaired by the Secretary General, who is one of the trustees.

The trustees seek spiritual guidance and inspiration in religious matters from both the Central Committee and the President in recognition of their religious status. They merely endorse religious matters and are not involved in daily running of the charity. They do not have any influence over the trustees.

The Central Committee is an honorary committee based in the holy city of Najaf, Iraq.

The president is an Honorary title given to Ayatollah of the Shia faith who is also based in Najaf, Iraq.

## **The Al-Khoei Benevolent Foundation**

### **Report of the Trustees for the Year Ended 31 August 2023**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Induction and training of new trustees**

Following appointment, new trustees are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided including the guidance on charities and public benefit and on the advancement of the religion for public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with existing trustees assisting on particular activities and projects run by the Charity. After satisfactory feedback from existing trustees they are then given the task of leading a particular activity or project, reporting progress at trustees' meetings.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

802000

##### **Principal address**

Chevening Road  
London  
NW6 6TN

##### **Trustees**

Mr S S Khoei  
Mr S F H Milani  
Mr S M H Faghihe-Moussavi

##### **Auditors**

Merali's  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

#### **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).

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.

**The Al-Khoei Benevolent Foundation**

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

Approved by order of the board of trustees on 27 June 2024 and signed on its behalf by:



Mr S S Khoei - Trustee

## Report of the Independent Auditors to the Trustees of The Al-Khoei Benevolent Foundation

### **Opinion**

We have audited the financial statements of The Al-Khoei Benevolent Foundation (the 'charity') for the year ended 31 August 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 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; 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.

### **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.

## **Report of the Independent Auditors to the Trustees of The Al-Khoei Benevolent Foundation**

### **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:

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

### **Identifying and assessing potential risks related to irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management and trustees including obtaining and reviewing supporting documentation concerning the charity's policies and procedures relating to:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

- obtaining an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the charity. The key laws and regulations we considered in this context included the Charities Act 2011 and Charities SORP (FRS 102).

### **Audit response to risks identified**

As a result of performing the above, we identified management override of controls, revenue recognition including occurrence and classification of donation and school income and the occurrence and classification of donation payments as key audit matters.

Our procedures to respond to risks identified included the following:

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the charity's rationale of any significant transactions that are unusual or outside the normal course of business.

- Substantive testing on donation income and school income.

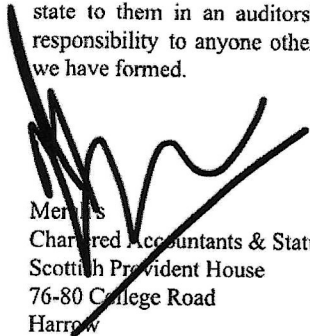
- Substantive testing on donation payments to ensure such payments are properly authorised, paid in accordance with the purpose and conditions of grants (no misapplication of restricted funds), payments are within the objectives of the charity and accurate allocation across funds.

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

**Report of the Independent Auditors to the Trustees of**  
**The Al-Khoei Benevolent Foundation**

**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.



Merris  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

28 June 2024

**The Al-Khoei Benevolent Foundation**

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

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	2023 Total funds £	2022 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	417,845	295,140	-	712,985	584,244
<b>Charitable activities</b>						
Schools operations	3	1,557,815	-	-	1,557,815	1,567,241
Nursery Operations		137,273	-	-	137,273	129,333
DFID		-	21,865	-	21,865	213,522
Other income		-	-	-	-	1,268,512
<b>Total</b>		<u>2,112,933</u>	<u>317,005</u>	<u>-</u>	<u>2,429,938</u>	<u>3,762,852</u>
<b>EXPENDITURE ON Charitable activities</b>						
Schools operations	4	1,626,342	-	-	1,626,342	1,442,601
Grants and Donations		343,567	240,528	-	584,095	534,986
Support costs		349,626	3,991	36,613	390,230	343,750
Nursery Operations		103,137	-	-	103,137	99,765
DFID		-	6,557	-	6,557	214,500
<b>Total</b>		<u>2,422,672</u>	<u>251,076</u>	<u>36,613</u>	<u>2,710,361</u>	<u>2,635,602</u>
<b>NET INCOME/(EXPENDITURE)</b>		(309,739)	65,929	(36,613)	(280,423)	1,127,250
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		3,986,336	66,717	6,087,602	10,140,655	9,013,405
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>3,676,597</u></u>	<u><u>132,646</u></u>	<u><u>6,050,989</u></u>	<u><u>9,860,232</u></u>	<u><u>10,140,655</u></u>

The notes form part of these financial statements

**The Al-Khoei Benevolent Foundation**

**Balance Sheet**  
**31 August 2023**

	<b>Notes</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Endowment fund £</b>	<b>2023 Total funds £</b>	<b>2022 Total funds £</b>
<b>FIXED ASSETS</b>						
Tangible assets	11	13,691	-	6,050,989	6,064,680	6,112,790
<b>CURRENT ASSETS</b>						
Debtors	12	187,752	-	-	187,752	240,824
Cash at bank and in hand		3,822,292	167,302	-	3,989,594	4,285,452
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		4,010,044	167,302	-	4,177,346	4,526,276
<b>CREDITORS</b>						
Amounts falling due within one year	13	(347,138)	(34,656)	-	(381,794)	(498,411)
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		3,662,906	132,646	-	3,795,552	4,027,865
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		3,676,597	132,646	6,050,989	9,860,232	10,140,655
<b>NET ASSETS</b>		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		3,676,597	132,646	6,050,989	9,860,232	10,140,655
<b>FUNDS</b>	14					
Unrestricted funds					3,676,597	3,986,336
Restricted funds					132,646	66,717
Endowment funds					6,050,989	6,087,602
					<hr/>	<hr/>
<b>TOTAL FUNDS</b>					9,860,232	10,140,655
					<hr/>	<hr/>

The financial statements were approved by the Board of Trustees and authorised for issue on 27 June 2024 and were signed on its behalf by:



Mr S S Khoei - Trustee

The notes form part of these financial statements

**The Al-Khoei Benevolent Foundation**

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

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(293,953)	(62,205)
Net cash used in operating activities		<u>(293,953)</u>	<u>(62,205)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(1,905)	(3,429)
Sale of tangible fixed assets		-	2,893,499
Net cash (used in)/provided by investing activities		<u>(1,905)</u>	<u>2,890,070</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(295,858)</u>	<u>2,827,865</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>4,285,452</u>	<u>1,457,587</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>3,989,594</u></u>	<u><u>4,285,452</u></u>

The notes form part of these financial statements

## The Al-Khoei Benevolent Foundation

### Notes to the Cash Flow Statement for the Year Ended 31 August 2023

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(280,423)	1,127,250
Adjustments for:		
Depreciation charges	50,015	53,451
Profit on disposal of fixed assets	-	(1,260,482)
Decrease/(increase) in debtors	53,072	(26,612)
(Decrease)/increase in creditors	(116,617)	44,188
Net cash used in operations	<u>(293,953)</u>	<u>(62,205)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/9/22	Cash flow	At 31/8/23
	£	£	£
Net cash			
Cash at bank and in hand	4,285,452	(295,858)	3,989,594
	<u>4,285,452</u>	<u>(295,858)</u>	<u>3,989,594</u>
Total	<u>4,285,452</u>	<u>(295,858)</u>	<u>3,989,594</u>

The notes form part of these financial statements

# The Al-Khoei Benevolent Foundation

## Notes to the Financial Statements for the Year Ended 31 August 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.

#### **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.

#### **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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### **Charitable activities**

Charitable activities cost comprises all the operating expenses for its charitable activities like School, Nursery, DFID and general disbursements of grants and donations.

Grants and donations represent donation paid out in accordance with the Charity's objectives.

DFID is a research project which Al-Khoei is engaged in by Institute of Development Studies to gather information and carry out research work on shia muslim minorities in various countries around the world.

School and nursery costs represent the total direct costs for running and maintaining both the schools and nursery.

#### **Allocation and apportionment of costs**

Support cost include administrative cost relates to the foundation and have been allocated to activity cost categories on a basis consistent with the use of resources.

#### **Intangible assets**

Intangible assets are stated at initial cost less any permanent impairments.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Freehold properties in London	Cost of building over 50 years
Freehold properties in Swansea	Cost of building over 25 years
Freehold property in Manchester	Cost of building over 15 years
School Equipment	20% on cost
Fixtures and fittings	15% on cost
Office equipment	20% on cost

#### **Fund accounting**

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives.

# The Al-Khoei Benevolent Foundation

## Notes to the Financial Statements - continued for the Year Ended 31 August 2023

### 1. ACCOUNTING POLICIES - continued

#### **Fund accounting**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment fund represents the properties held by the charity and depreciation relating to the property are charged against the fund.

#### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

#### **Government grants**

Grants are accounted for under the accruals model permitted by FRS 102. Grants of revenue nature are recognised in the Statement of Financial Activities in the same period as the related expenditure. Any accrued elements of grants is included in debtors as accrued income.

#### **Going concern**

Trustees believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. Trustees have considered the operational and financial factors for a period of twelve months from the date of approval of the financial statements.

For the above reason, the trustees continue to adopt the going concern basis in preparing these financial statements.

### 2. DONATIONS AND LEGACIES

	<b>2023</b>	<b>2022</b>
	£	£
Donations and Religious dues	694,871	564,560
Gift aid	18,114	19,684
	<u>712,985</u>	<u>584,244</u>

### 3. INCOME FROM CHARITABLE ACTIVITIES

	<b>2023</b>	<b>2022</b>
	£	£
School & Nursery Fee Income	1,452,783	1,484,102
School Other Income	105,032	83,139
School & Nursery Fee Income	137,273	129,333
Grant - DFID	21,865	213,522
	<u>1,716,953</u>	<u>1,910,096</u>

**The Al-Khoei Benevolent Foundation**

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

**4. CHARITABLE ACTIVITIES COSTS**

	<b>Direct Costs</b>	<b>Grant funding of activities (see note 5)</b>	<b>Support costs (see note 6)</b>	<b>Totals</b>
	£	£	£	£
Schools operations	1,626,342	-	-	1,626,342
Grants and Donations	-	584,095	-	584,095
Support costs	110,130	-	280,100	390,230
Nursery Operations	103,137	-	-	103,137
DFID	6,557	-	-	6,557
	<u>1,846,166</u>	<u>584,095</u>	<u>280,100</u>	<u>2,710,361</u>

**5. GRANTS PAYABLE**

	<b>2023</b>	<b>2022</b>
	£	£
Grants and Donations	<u>584,095</u>	<u>534,986</u>

The total grants paid to institutions during the year were £557,416 (2022 - £496,696)

**6. SUPPORT COSTS**

	<b>Management</b>	<b>Finance</b>	<b>Other</b>	<b>Totals</b>
	£	£	£	£
Support costs	<u>233,916</u>	<u>1,892</u>	<u>44,292</u>	<u>280,100</u>

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

**Management**

	<b>2023</b>	<b>2022</b>
	<b>Support costs</b>	<b>Total activities</b>
	£	£
Wages & salaries - Foundation	159,995	171,843
Rates and water	638	1,620
Light and heat	8,792	3,858
Telephone	1,271	419
Postage and stationery	407	22
Travelling	3,781	3,061
Sundries	22	266
Accountancy fees	11,600	9,613
Publication expenses	6,152	13,421
Repairs & Maintenance	1,605	540
Subscriptions	2,826	4,924
Subsistence	915	106
Advertising	3,467	10,659
Book keeping fees	16,000	15,000
Legal & professional fees	16,445	15,922
Carried forward	<u>233,916</u>	<u>251,274</u>

**The Al-Khoei Benevolent Foundation**

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

**6. SUPPORT COSTS - continued**

**Management - continued**

	2023	2022
	<b>Support costs</b>	<b>Total activities</b>
	£	£
Brought forward	233,916	251,274
Cleaning	-	3,871
	233,916	255,145

**Finance**

	2023	2022
	<b>Support costs</b>	<b>Total activities</b>
	£	£
Bank charges	1,326	1,745
Foreign exchange loss/(gains)	566	(28,504)
	1,892	(26,759)

**Other**

	2023	2022
	<b>Support costs</b>	<b>Total activities</b>
	£	£
Depreciation of tangible fixed assets	44,292	46,837

**7. TRUSTEES' REMUNERATION AND BENEFITS**

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

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2023 nor for the year ended 31 August 2022.

**8. STAFF COSTS**

The total wages and salaries for the year was as follows

	31/08/23	31/08/22
	£	£
Foundation	132,346	211,496
Mosque	39,039	25,115
School	1,211,524	1,140,559
Nursery	97,723	91,360
	1,480,632	1,468,530

**The Al-Khoei Benevolent Foundation**

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

**8. STAFF COSTS - continued**

The average number of employees during the year was as follows

	31/08/23	31/08/22
Foundation	12	15
Mosque	3	3
School	61	62
Nursery	9	9
	85	89
	85	89

There were 8 average number of volunteers during the year.

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

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	306,589	277,655	-	584,244
<b>Charitable activities</b>				
Schools operations	1,567,241	-	-	1,567,241
Nursery Operations	129,333	-	-	129,333
DFID	-	213,522	-	213,522
Other income	1,268,512	-	-	1,268,512
<b>Total</b>	3,271,675	491,177	-	3,762,852
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Schools operations	1,442,601	-	-	1,442,601
Grants and Donations	284,641	250,345	-	534,986
Support costs	296,065	11,072	36,613	343,750
Nursery Operations	99,765	-	-	99,765
DFID	-	214,500	-	214,500
<b>Total</b>	2,123,072	475,917	36,613	2,635,602
<b>NET INCOME/(EXPENDITURE)</b>	1,148,603	15,260	(36,613)	1,127,250
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	2,837,732	51,458	6,124,215	9,013,405
<b>TOTAL FUNDS CARRIED FORWARD</b>	3,986,335	66,718	6,087,602	10,140,655

**The Al-Khoei Benevolent Foundation**

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

**10. INTANGIBLE FIXED ASSETS**

	<b>Trademarks</b> £
<b>COST</b>	
At 1 September 2022 and 31 August 2023	3,450
<b>AMORTISATION</b>	
At 1 September 2022 and 31 August 2023	3,450
<b>NET BOOK VALUE</b>	
At 31 August 2023	-
At 31 August 2022	-

**11. TANGIBLE FIXED ASSETS**

	<b>Freehold properties</b> £	<b>School Equipments</b> £	<b>Fixtures and fittings</b> £	<b>Office equipment</b> £	<b>Totals</b> £
<b>COST</b>					
At 1 September 2022	6,877,468	284,122	299,504	516,107	7,977,201
Additions	-	-	-	1,905	1,905
At 31 August 2023	6,877,468	284,122	299,504	518,012	7,979,106
<b>DEPRECIATION</b>					
At 1 September 2022	789,866	284,122	285,715	504,708	1,864,411
Charge for year	36,613	-	5,722	7,680	50,015
At 31 August 2023	826,479	284,122	291,437	512,388	1,914,426
<b>NET BOOK VALUE</b>					
At 31 August 2023	6,050,989	-	8,067	5,624	6,064,680
At 31 August 2022	6,087,602	-	13,789	11,399	6,112,790

Included above in total net book value is cost of land amounting to £5,252,160 (2022: £5,252,160).

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2023</b> £	<b>2022</b> £
Trade debtors	87,873	26,668
Other debtors	41,089	44,628
Inter-funds temporary balances	34,657	81,201
Prepayments	24,133	22,418
Accrued income	-	65,909
	187,752	240,824

**The Al-Khoei Benevolent Foundation**

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

<b>13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
Trade creditors		50,490	64,938
Social security and other taxes		20,541	19,611
Other creditors		384	10,936
Nursery deposits		-	5,400
Inter fund ALKW		7,101	(2,654)
Inter fund DFID		130,278	137,547
Inter fund SADAAT		(102,723)	(53,692)
Deferred income		256,035	276,725
Accrued expenses		19,688	39,600
		<hr/>	<hr/>
		381,794	498,411
		<hr/> <hr/>	<hr/> <hr/>
 <b>14. MOVEMENT IN FUNDS</b>			
		<b>Net</b>	
	<b>At 1/9/22</b>	<b>movement</b>	<b>At</b>
	<b>£</b>	<b>in funds</b>	<b>31/8/23</b>
		<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General Fund	3,654,664	(280,091)	3,374,573
Khums Sehem Imam	331,672	(29,648)	302,024
	<hr/>	<hr/>	<hr/>
	3,986,336	(309,739)	3,676,597
<b>Restricted funds</b>			
Khums Sehem Sadaat	53,692	49,031	102,723
Al-Kawthar/Orphans & Widows	10,931	1,590	12,521
DFID Fund	2,094	15,308	17,402
	<hr/>	<hr/>	<hr/>
	66,717	65,929	132,646
<b>Endowment funds</b>			
Endowment Fund	6,087,602	(36,613)	6,050,989
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	10,140,655	(280,423)	9,860,232
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**The Al-Khoei Benevolent Foundation**

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

**14. MOVEMENT IN FUNDS - continued**

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

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	£	£	£
<b>Unrestricted funds</b>			
General Fund	2,012,971	(2,293,062)	(280,091)
Khums Sehem Imam	99,962	(129,610)	(29,648)
	<hr/>	<hr/>	<hr/>
	2,112,933	(2,422,672)	(309,739)
<b>Restricted funds</b>			
Khums Sehem Sadaat	99,963	(50,932)	49,031
Al-Kawthar/Orphans & Widows	195,177	(193,587)	1,590
DFID Fund	21,865	(6,557)	15,308
	<hr/>	<hr/>	<hr/>
	317,005	(251,076)	65,929
<b>Endowment funds</b>			
Endowment Fund	-	(36,613)	(36,613)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>2,429,938</u>	<u>(2,710,361)</u>	<u>(280,423)</u>

**Comparatives for movement in funds**

	<b>At 1/9/21</b>	<b>Net movement in funds</b>	<b>At 31/8/22</b>
	£	£	£
<b>Unrestricted funds</b>			
General Fund	2,598,865	1,055,799	3,654,664
Khums Sehem Imam	238,867	92,805	331,672
	<hr/>	<hr/>	<hr/>
	2,837,732	1,148,604	3,986,336
<b>Restricted funds</b>			
Khums Sehem Sadaat	-	53,692	53,692
Al-Kawthar/Orphans & Widows	48,386	(37,455)	10,931
DFID Fund	3,072	(978)	2,094
	<hr/>	<hr/>	<hr/>
	51,458	15,259	66,717
<b>Endowment funds</b>			
Endowment Fund	6,124,215	(36,613)	6,087,602
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>9,013,405</u>	<u>1,127,250</u>	<u>10,140,655</u>

**The Al-Khoei Benevolent Foundation**

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

14. **MOVEMENT IN FUNDS - continued**

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

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	£	£	£
<b>Unrestricted funds</b>			
General Fund	3,178,870	(2,123,071)	1,055,799
Khums Sehem Imam	92,805	-	92,805
	<u>3,271,675</u>	<u>(2,123,071)</u>	<u>1,148,604</u>
<b>Restricted funds</b>			
Khums Sehem Sadaat	92,805	(39,113)	53,692
Al-Kawthar/Orphans & Widows	184,850	(222,305)	(37,455)
DFID Fund	213,522	(214,500)	(978)
	<u>491,177</u>	<u>(475,918)</u>	<u>15,259</u>
<b>Endowment funds</b>			
Endowment Fund	-	(36,613)	(36,613)
	<u>3,762,852</u>	<u>(2,635,602)</u>	<u>1,127,250</u>

A current year 12 months and prior year 12 months combined position is as follows:

	<b>At 1/9/21</b>	<b>Net movement in funds</b>	<b>At 31/8/23</b>
	£	£	£
<b>Unrestricted funds</b>			
General Fund	2,598,865	775,708	3,374,573
Khums Sehem Imam	238,867	63,157	302,024
	<u>2,837,732</u>	<u>838,865</u>	<u>3,676,597</u>
<b>Restricted funds</b>			
Khums Sehem Sadaat	-	102,723	102,723
Al-Kawthar/Orphans & Widows	48,386	(35,865)	12,521
DFID Fund	3,072	14,330	17,402
	<u>51,458</u>	<u>81,188</u>	<u>132,646</u>
<b>Endowment funds</b>			
Endowment Fund	6,124,215	(73,226)	6,050,989
	<u>9,013,405</u>	<u>846,827</u>	<u>9,860,232</u>

**The Al-Khoei Benevolent Foundation**

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

**14. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General Fund	5,191,841	(4,416,133)	775,708
Khums Sehem Imam	192,767	(129,610)	63,157
	<hr/>	<hr/>	<hr/>
	5,384,608	(4,545,743)	838,865
<b>Restricted funds</b>			
Khums Sehem Sadaat	192,768	(90,045)	102,723
Al-Kawthar/Orphans & Widows	380,027	(415,892)	(35,865)
DFID Fund	235,387	(221,057)	14,330
	<hr/>	<hr/>	<hr/>
	808,182	(726,994)	81,188
<b>Endowment funds</b>			
Endowment Fund	-	(73,226)	(73,226)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<b>6,192,790</b>	<b>(5,345,963)</b>	<b>846,827</b>

The endowment fund represents net book value of certain freehold properties.

The Unrestricted funds are the receipts and expenditure of the charity for its objectives without specific restriction on its use. It is represented by the charities net current and its other tangible assets.

The Restricted funds are specific funds for specific purposes. The balance is represented by net relevant current assets and its other tangible assets..

**15. EMPLOYEE BENEFIT OBLIGATIONS**

The charity operates a defined contribution pension scheme. The charity contributed in pension £17,384 (2022: £16,414) during the year.

**16. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 August 2023.

**The Al-Khoei Benevolent Foundation**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 August 2023**

	2023	2022
	£	£
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations and Religious dues	694,871	564,560
Gift aid	18,114	19,684
	<hr/>	<hr/>
	712,985	584,244
<b>Charitable activities</b>		
School & Nursery Fee Income	1,590,056	1,613,435
School Other Income	105,032	83,139
Grant - DFID	21,865	213,522
	<hr/>	<hr/>
	1,716,953	1,910,096
<b>Other income</b>		
Gain on sale of tangible fixed assets	-	1,260,482
Other income	-	8,030
	<hr/>	<hr/>
	-	1,268,512
	<hr/>	<hr/>
<b>Total incoming resources</b>	2,429,938	3,762,852
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Misc school expenses	76,541	47,431
Printing postage & stationery	16,092	18,405
Light and heat	115,667	56,637
Transport and travel	162	582
Telephone	8,293	7,180
Rates	28,804	20,020
Repairs & Maintenance	26,900	23,041
Legal & Professional	4,192	4,199
Wages & salaries - School	1,211,524	1,140,559
Bank charges and interest	1,248	1,384
Depreciation	5,723	6,614
Cleaning	7,584	7,662
Insurance	31,394	25,997
Staff Training	26,821	14,934
Misc nursery expenses	5,414	5,605
Wages & Salaries - Nursery	97,723	91,360
Subscription	15,484	16,603
School meal - expenses	40,787	42,665
Saturday school expenses	45,264	41,310
Wages and salaries - DFID	5,389	64,768
Travelling - DFID	184	33,004
Legal & prof. fees - DFID	427	58,360
Carried forward	1,771,617	1,728,320

This page does not form part of the statutory financial statements

**The Al-Khoei Benevolent Foundation**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 August 2023**

	2023	2022
	£	£
<b>Charitable activities</b>		
Brought forward	1,771,617	1,728,320
Swansea Mosque expenses	27,424	9,607
Sermon food	46,568	29,098
Iraq Expenses - DFID	557	58,368
Donations to institutions	557,416	496,696
Donation payments	26,679	38,290
	<hr/>	<hr/>
	2,430,261	2,360,379
<b>Support costs</b>		
<b>Management</b>		
Wages & salaries - Foundation	159,995	171,843
Rates and water	638	1,620
Light and heat	8,792	3,858
Telephone	1,271	419
Postage and stationery	407	22
Travelling	3,781	3,061
Sundries	22	266
Accountancy fees	11,600	9,613
Publication expenses	6,152	13,421
Repairs & Maintenance	1,605	540
Subscriptions	2,826	4,924
Subsistence	915	106
Advertising	3,467	10,659
Book keeping fees	16,000	15,000
Legal & professional fees	16,445	15,922
Cleaning	-	3,871
	<hr/>	<hr/>
	233,916	255,145
<b>Finance</b>		
Bank charges	1,326	1,745
Foreign exchange loss/(gains)	566	(28,504)
	<hr/>	<hr/>
	1,892	(26,759)
<b>Other</b>		
Freehold property	36,613	36,613
Fixtures and fittings	7,679	10,224
	<hr/>	<hr/>
	44,292	46,837
Total resources expended	<hr/>	<hr/>
	2,710,361	2,635,602
<b>Net (expenditure)/income</b>	<hr/>	<hr/>
	(280,423)	1,127,250
	<hr/>	<hr/>

This page does not form part of the statutory financial statements

**THE AL-KHOEI BENEVOLENT FOUNDATION**

England & Wales - Charity number 802000

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# Accounts

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**Report of the Trustees and**  
**Audited Financial Statements for the Year Ended 31 August 2022**  
**for**  
**The Al-Khoci Benevolent Foundation**

Merali's  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

**The Al-Khoei Benevolent Foundation**

**Contents of the Financial Statements**  
**for the Year Ended 31 August 2022**

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# **The Al-Khoei Benevolent Foundation**

## **Report of the Trustees** **for the Year Ended 31 August 2022**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2022. 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**

The objects of the charity as set out in the charity's trust deed is to advance the Islamic religion by all or any of the following means:

- a) Providing and maintaining mosques and religious centres for the worship of Islamic religion.
- b) Teaching and educating young members of the Islamic community in the doctrines and practices of the Islamic religion.

#### **Strategies and Significant Activities**

The Charity in pursuance of its charitable aims and objectives carries out a wide range of activities in the following sectors:

- a) General charitable purposes
- b) Education and training
- c) The prevention or relief of poverty
- d) Religious activities

The charity concentrates its activities around children and young people; elderly and old people, and as well as general public.

The Charity operates mosques and religious centres at Brondesbury complex in North London, Swansea and Manchester. These mosques are open to the general public as place of worship for the followers of Islamic faith. Religious centres organises various religious activities and functions and provides information to raise the awareness of the Islamic faith.

The mosque and centre in Manchester is currently run by The Shia Welfare Association, an independent organisation.

The charity also operates Al-Sadiq school for boys, Al-Zahra school for girls and Al-Ghadeer nursery for pre school age children. All these institutions are licenced by the OFSTED and follows UK national curriculum. The schools provide full time education for up to 400 pupils. In addition, pupils attend classes in Islamic studies and Arabic, which take up around ten percentage of pupils time.

#### **Grantmaking**

The Charity administered collection and distribution of various religious dues like Khums, Zakat, Sadaqat in accordance with the teachings of Islamic faith.

The charity collects general donations and are distributed in pursuance of the Charity's objectives to support education and training, relief of poverty and various religious activities.

#### **Volunteers**

We encourage all members of our mosques and centres to be involved in voluntary activities and to share their skills with others. Volunteers are not paid any salaries but only reimbursed reasonable out of pocket expenses such as travel costs. All volunteers working with children or other vulnerable groups are CRB checked.

### **ACHIEVEMENT AND PERFORMANCE**

#### **How our activities deliver public benefit**

A wide range of activities are carried out in pursuance of the charitable aims and objectives. The trustees consider that these activities, summarised below, provide benefit to the wider community.

# The Al-Khoei Benevolent Foundation

## Report of the Trustees for the Year Ended 31 August 2022

### **ACHIEVEMENT AND PERFORMANCE**

#### **Religious activities**

Our mosques are open for prayers, worship and for the activities associated with our faith. The centres are open for the wider public.

During the year under review, we offer a range of religious services and activities including:

#### **Prayers**

Our mosques are available daily for prayers to the general public of Islamic faith. We have hundreds of people attending our mosque for prayers.

#### **Festivals**

The Mosques celebrate Ramadan and serve food for those attending our Mosques who wish to break their fast together. We also hold special events and serve food during the Islamic months of Muharram and Safar on the annual commemoration of the martyrdom of Imam Hussein, the grandson of Prophet Muhammad (PBUH).

The Mosques celebrate the birth and commemorate the martyrdom of all Imams of Shia Ishna Ashari faith during the year.

We hold weekly gathering in the mosques for worship, prayers and recitation of supplications every Thursday evening.

#### **Civil marriages**

The Mosques provide Muslim couples with an appropriate location for their civil marriage and Nikkah (Islamic marriage).

#### **Quran classes**

Memorisation and recitation of the Quran are considered important elements of religious education and training. We continue to provide this facility for young people in the mosque.

#### **Inter-faith events**

We encourage and lead by example the commemoration of national symbolic occasions like Remembrance Sunday.

We often hold public manifestation of our faith e.g. street walks to commemorate certain events such as the fortieth day after the massacre at Karbala (Arbaeen) or Good Friday processions, and thus are a significant opportunity to build bridges between different faiths by communicating the philosophy and principles they are based upon.

#### **Religious dues**

It is part of our faith that we should offer Zakat, Khums, and Sadaqat. They are collected in accordance with the teaching of Islam and distributed for a number of specific purposes including to help others and to further the teachings of Islam.

# **The Al-Khoei Benevolent Foundation**

## **Report of the Trustees for the Year Ended 31 August 2022**

### **ACHIEVEMENT AND PERFORMANCE**

#### **Community activities**

##### **Al-Sadiq and Al-Zahra School**

Well established schools that provide primary education in a mixed setting up to Year 2 and single sex education from Year 3 to Year 11. They are situated in the urban district of Brondesbury in the London Borough of Brent and provide full-time education for up to 400 pupils.

The schools are founded on the Quran and the teachings of the Prophet Mohammed and his Progeny. Through training in the art of building strong community relationships and taking effective public actions, the schools have given pupils the confidence to participate in public life for the good of their communities.

The School and Nursery also offers bursaries and discount on fees for families who are not able to afford to pay the full fees provided that the child demonstrates very good academic history. The school fees is set up in a way not to exclude those on lower income.

##### **Al-Ghadeer Nursery**

We strive to support and provide children with the necessary skills to help enable them develop a good foundation in learning and expressing themselves through play. This in turn helps children to acquire independence, confidence and effective communication.

#### **Halls and rooms**

Our halls and rooms are available to use by local groups, organisations and communities.

#### **Prison service**

The charity is a member of the prison service chaplaincy council acting as advisory role for Shia Muslim prisoners in HM Prisons. It also nominates sessional and part time Shia chaplains to the prison service to supplement chaplaincy services already offered to Muslim prisoners.

#### **Youth Activities**

The Charity offers facilities for youth to gather and involve in educational and sports activities and to develop the youth to be active and law abiding members of the community.

#### **Women**

Women and family programme at mosques offer advice and counselling for couples and empowering women in society offering them educational and sports facilities.

The Charity also runs an academic arm to deal with research on the Shia community and other religious communities and raises the concerns of religious and ethnic minorities at different forums.

#### **Interfaith events**

The Charity is a member of Faith Forum for London and contributes to the cohesion and the needs of faith communities in London.

The Charity is a member of the Religious Education Council and is involved in the development of religious education curriculum and takes part in activities and celebrations of other faiths and regularly holds community events and sharing of food, Iftar.

#### **MINAB**

The Charity is one of the founding member and hosts the offices of the Mosques and Imams National Advisory Board on its premises. MINAB aims to raise standards in mosques and the training of Imams.

#### **Centre for Academic Shia Studies**

The academic arm of MINAB (Cass) undertakes research on Shia and other religious minority affairs, produces papers and briefing documents.

# **The Al-Khoei Benevolent Foundation**

## **Report of the Trustees** **for the Year Ended 31 August 2022**

### **FINANCIAL REVIEW**

#### **Principal funding sources**

One of the Charity's main sources of income is the collection of donations and religious dues from general public. During the year the Charity received total donations and religious dues of £584,244 (2021: £1,950,842)

Reasonable fees are charged to students for the schools. During the year the Charity generated total school income of £1,567,241 (2021: £1,399,396).

The foundation also operates a fee paying nursery. During the year, the Charity generated total nursery fee income of £129,333 (2021: £123,295).

The Charity is involved in DFID research project headed by Institute of Development Studies. During the year, the Charity generated total DFID grant income of £213,522 (2021: £182,324)

Other income received in the form of CJRS grants of £8,030 (2021: £326,462). The charity also made a gain of £1,260,482 on one of its properties sold during the year.

#### **Investment policy and objectives**

The Charity's cash reserves are held in current and saving bank accounts. Any interest earned is added to the general fund reserve and used for the general charitable purposes.

#### **Reserves policy**

Unrestricted funds reserve is maintained to cover governance costs and to respond to various application of grants and donations.

Restricted fund reserve are held to be used within certain restrictions of the relevant funds.

Endowment fund reserve represents the total cost of certain properties after annual depreciation charge.

In setting up the Charity reserve policy, the trustees have identified two unrestricted funds as detailed in the notes. The restricted funds are distributed strictly in accordance with the religious restrictions or other restrictions imposed on the relevant fund.

They have also set up an Endowment fund for certain properties owned by the Charity.

The charity policy on unrestricted funds is to hold unrestricted funds not committed or invested in Tangible Fixed Assets to meet 3 to 6 months expenditures.

The current unrestricted funds of £3,961,148 not committed to tangible fixed assets are sufficient to cover 3 to 6 months expenditure.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

The Al-Khoei Benevolent Foundation was constituted as a charitable trust with the Charity Commission on 23 August 1989 under the charity number 0802000. It is governed by a deed of trust dated 15 August 1989.

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

Trustees are appointed by resolution of the existing trustees.

#### **Organisational structure**

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits.

The trustees meet together as a body and are responsible for all decisions taken in relation to the affairs of The Al-Khoei Foundation in the United Kingdom. The board is chaired by the Secretary General, who is one of the trustees.

The trustees seek spiritual guidance and inspiration in religious matters from both the Central Committee and the President in recognition of their religious status. They merely endorse religious matters and are not involved in daily running of the charity. They do not have any influence over the trustees.

The Central Committee is an honorary committee based in the holy city of Najaf, Iraq.

The president is an Honorary title given to Ayatollah of the Shia faith who is also based in Najaf, Iraq.

# **The Al-Khoei Benevolent Foundation**

## **Report of the Trustees** **for the Year Ended 31 August 2022**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Induction and training of new trustees**

Following appointment, new trustees are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided including the guidance on charities and public benefit and on the advancement of the religion for public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with existing trustees assisting on particular activities and projects run by the Charity. After satisfactory feedback from existing trustees they are then given the task of leading a particular activity or project, reporting progress at trustees' meetings.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **Registered Charity number**

802000

#### **Principal address**

Chevening Road  
London  
NW6 6TN

#### **Trustees**

Mr S S Khoei  
Mr S F H Milani  
Mr S M H Faghihe-Moussavi

#### **Auditors**

Merali's  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

### **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).

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.

**The Al-Khoei Benevolent Foundation**

**Report of the Trustees**  
**for the Year Ended 31 August 2022**

Approved by order of the board of trustees on ..... **26/06/2023** ..... and signed on its behalf by:



.....  
Mr S S Khoei - Trustee

# **Report of the Independent Auditors to the Trustees of The Al-Khoei Benevolent Foundation**

## **Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2022 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; 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.

## **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.

## **Report of the Independent Auditors to the Trustees of The Al-Khoei Benevolent Foundation**

### **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.

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

### **Identifying and assessing potential risks related to irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management and trustees including obtaining and reviewing supporting documentation concerning the charity's policies and procedures relating to:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

- obtaining an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the charity. The key laws and regulations we considered in this context included the Charities Act 2011 and Charities SORP (FRS 102).

### **Audit response to risks identified**

As a result of performing the above, we identified management override of controls, revenue recognition including occurrence and classification of donation and school income and the occurrence and classification of donation payments as key audit matters.

Our procedures to respond to risks identified included the following:

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the charity's rationale of any significant transactions that are unusual or outside the normal course of business.

- Substantive testing on donation income and school income.

- Substantive testing on donation payments to ensure such payments are properly authorised, paid in accordance with the purpose and conditions of grants (no misapplication of restricted funds), payments are within the objectives of the charity and accurate allocation across funds.

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

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**The Al-Khoei Benevolent Foundation**

**Statement of Financial Activities  
for the Year Ended 31 August 2022**

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	306,589	277,655	-	584,244	1,950,842
<b>Charitable activities</b>						
Schools operations	3	1,567,241	-	-	1,567,241	1,399,396
Nursery Operations		129,333	-	-	129,333	123,295
DFID		-	213,522	-	213,522	182,324
Other income		1,268,512	-	-	1,268,512	326,462
<b>Total</b>		<b>3,271,675</b>	<b>491,177</b>	<b>-</b>	<b>3,762,852</b>	<b>3,982,319</b>
<b>EXPENDITURE ON Charitable activities</b>						
Schools operations	4	1,442,601	-	-	1,442,601	1,390,653
Grants and Donations		284,641	250,345	-	534,986	1,041,756
Support costs		296,065	11,072	36,613	343,750	378,408
Nursery Operations		99,765	-	-	99,765	107,745
DFID		-	214,500	-	214,500	192,146
<b>Total</b>		<b>2,123,072</b>	<b>475,917</b>	<b>36,613</b>	<b>2,635,602</b>	<b>3,110,708</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>1,148,603</b>	<b>15,260</b>	<b>(36,613)</b>	<b>1,127,250</b>	<b>871,611</b>
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		2,837,732	51,458	6,124,215	9,013,405	8,141,794
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>3,986,335</b>	<b>66,718</b>	<b>6,087,602</b>	<b>10,140,655</b>	<b>9,013,405</b>

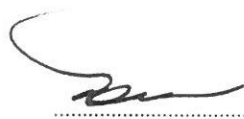
The notes form part of these financial statements

**The Al-Khoei Benevolent Foundation**

**Balance Sheet**  
**31 August 2022**

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	11	25,188	-	6,087,602	6,112,790	7,795,829
<b>CURRENT ASSETS</b>						
Debtors	12	174,915	65,909	-	240,824	214,212
Cash at bank and in hand		4,186,550	98,902	-	4,285,452	1,457,587
		<u>4,361,465</u>	<u>164,811</u>	<u>-</u>	<u>4,526,276</u>	<u>1,671,799</u>
<b>CREDITORS</b>						
Amounts falling due within one year	13	(400,317)	(98,094)	-	(498,411)	(454,223)
<b>NET CURRENT ASSETS</b>		<u>3,961,148</u>	<u>66,717</u>	<u>-</u>	<u>4,027,865</u>	<u>1,217,576</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,986,336</u>	<u>66,717</u>	<u>6,087,602</u>	<u>10,140,655</u>	<u>9,013,405</u>
<b>NET ASSETS</b>		<u><u>3,986,336</u></u>	<u><u>66,717</u></u>	<u><u>6,087,602</u></u>	<u><u>10,140,655</u></u>	<u><u>9,013,405</u></u>
<b>FUNDS</b>	14					
Unrestricted funds					3,986,336	2,837,732
Restricted funds					66,717	51,458
Endowment funds					6,087,602	6,124,215
<b>TOTAL FUNDS</b>					<u><u>10,140,655</u></u>	<u><u>9,013,405</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 26/06/2023 and were signed on its behalf by:

  
.....

Mr S S Khoei - Trustee

The notes form part of these financial statements

**The Al-Khoei Benevolent Foundation**

**Cash Flow Statement**  
**for the Year Ended 31 August 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(62,205)	1,097,447
Net cash (used in)/provided by operating activities		(62,205)	1,097,447
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(3,429)	(6,610)
Sale of tangible fixed assets		2,893,499	-
Net cash provided by/(used in) investing activities		2,890,070	(6,610)
<b>Change in cash and cash equivalents in the reporting period</b>			
		2,827,865	1,090,837
<b>Cash and cash equivalents at the beginning of the reporting period</b>			
		1,457,587	366,750
<b>Cash and cash equivalents at the end of the reporting period</b>			
		4,285,452	1,457,587

The notes form part of these financial statements

**The Al-Khoei Benevolent Foundation**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31 August 2022**

1.	RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2022	2021	
		£	£	
	Net income for the reporting period (as per the Statement of Financial Activities)	1,127,250	871,611	
	<b>Adjustments for:</b>			
	Depreciation charges	53,451	65,050	
	Profit on disposal of fixed assets	(1,260,482)	-	
	Increase in debtors	(26,612)	(28,926)	
	Increase in creditors	44,188	189,712	
	<b>Net cash (used in)/provided by operations</b>	<u>(62,205)</u>	<u>1,097,447</u>	
2.	ANALYSIS OF CHANGES IN NET FUNDS	At 1/9/21	Cash flow	At 31/8/22
		£	£	£
	<b>Net cash</b>			
	Cash at bank and in hand	1,457,587	2,827,865	4,285,452
		<u>1,457,587</u>	<u>2,827,865</u>	<u>4,285,452</u>
	<b>Total</b>	<u>1,457,587</u>	<u>2,827,865</u>	<u>4,285,452</u>

The notes form part of these financial statements

# The Al-Khoei Benevolent Foundation

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

### 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.

#### **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.

#### **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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

#### **Charitable activities**

Charitable activities cost comprises all the operating expenses for its charitable activities like School, Nursery, DFID and general disbursements of grants and donations.

Grants and donations represent donation paid out in accordance with the Charity's objectives.

DFID is a research project which Al-Khoei is engaged in by Institute of Development Studies to gather information and carry out research work on shia muslim minorities in various countries around the world.

School and nursery costs represent the total direct costs for running and maintaining both the schools and nursery.

#### **Allocation and apportionment of costs**

Support cost include administrative cost relates to the foundation and have been allocated to activity cost categories on a basis consistent with the use of resources.

#### **Intangible assets**

Intangible assets are stated at initial cost less any permanent impairments.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Freehold properties in London	Cost of building over 50 years
Freehold properties in Swansea	Cost of building over 25 years
Freehold property in Manchester	Cost of building over 15 years
School Equipment	20% on cost
Fixtures and fittings	15% on cost
Office equipment	20% on cost

#### **Fund accounting**

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives.

# The Al-Khoei Benevolent Foundation

## Notes to the Financial Statements - continued for the Year Ended 31 August 2022

### 1. ACCOUNTING POLICIES - continued

#### **Fund accounting**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment fund represents the properties held by the charity and depreciation relating to the property are charged against the fund.

#### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

#### **Government grants**

Grants are accounted for under the accruals model permitted by FRS 102. Grants of revenue nature are recognised in the Statement of Financial Activities in the same period as the related expenditure. Any accrued elements of grants is included in debtors as accrued income.

#### **Going concern**

Trustees believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. Trustees have considered the operational and financial factors for a period of twelve months from the date of approval of the financial statements.

For the above reason, the trustees continue to adopt the going concern basis in preparing these financial statements.

### 2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations and Religious dues	564,560	1,941,457
Gift aid	19,684	9,385
	<u>584,244</u>	<u>1,950,842</u>

### 3. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
School & Nursery Fee Income	1,484,102	1,345,524
School Other Income	83,139	53,872
School & Nursery Fee Income	129,333	123,295
Grant - DFID	213,522	182,324
	<u>1,910,096</u>	<u>1,705,015</u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2022**

**4. CHARITABLE ACTIVITIES COSTS**

	<b>Direct Costs £</b>	<b>Grant funding of activities (see note 5) £</b>	<b>Support costs (see note 6) £</b>	<b>Totals £</b>
Schools operations	1,442,601	-	-	1,442,601
Grants and Donations	-	534,986	-	534,986
Support costs	68,527	-	275,223	343,750
Nursery Operations	99,765	-	-	99,765
DFID	214,500	-	-	214,500
	<u>1,825,393</u>	<u>534,986</u>	<u>275,223</u>	<u>2,635,602</u>

**5. GRANTS PAYABLE**

	<b>2022 £</b>	<b>2021 £</b>
Grants and Donations	<u>534,986</u>	<u>1,041,756</u>

The total grants paid to institutions during the year were £496,696 (2021 - £984,293)

**6. SUPPORT COSTS**

	<b>Management £</b>	<b>Finance £</b>	<b>Other £</b>	<b>Totals £</b>
Support costs	<u>255,145</u>	<u>(26,759)</u>	<u>46,837</u>	<u>275,223</u>

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

**Management**

	<b>2022 Support costs £</b>	<b>2021 Total activities £</b>
Wages & salaries - Foundation	171,843	155,323
Rates and water	1,620	76
Light and heat	3,858	4,780
Telephone	419	297
Postage and stationery	22	407
Travelling	3,061	3,369
Sundries	266	593
Accountancy fees	9,613	22,200
Publication expenses	13,421	16,172
Repairs & Maintenance	540	1,213
Subscriptions	4,924	4,181
Subsistence	106	438
Advertising	10,659	8,205
Book keeping fees	15,000	20,000
Legal & professional fees	<u>15,922</u>	<u>20,270</u>
Carried forward	251,274	257,524

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2022**

**6. SUPPORT COSTS - continued**

**Management - continued**

	2022 <b>Support costs</b> £	2021 <b>Total activities</b> £
Brought forward	251,274	257,524
Cleaning	3,871	2,861
	<u>255,145</u>	<u>260,385</u>

**Finance**

	2022 <b>Support costs</b> £	2021 <b>Total activities</b> £
Bank charges	1,745	2,000
Foreign exchange loss/(gains)	(28,504)	23,691
	<u>(26,759)</u>	<u>25,691</u>

**Other**

	2022 <b>Support costs</b> £	2021 <b>Total activities</b> £
Depreciation of tangible fixed assets	46,837	59,708

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year 31 August 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2022 nor for the year ended 31 August 2021.

**8. STAFF COSTS**

The total wages and salaries for the year was as follows

	31/08/22 £	31/08/21 £
Foundation	211,496	212,884
Mosque	25,115	7,300
School	1,140,559	1,195,818
Nursery	91,360	83,663
	<u>1,468,530</u>	<u>1,499,664</u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2022**

**8. STAFF COSTS - continued**

The average number of employees during the year was as follows

	31/08/22	31/08/21
Foundation	15	15
Mosque	3	3
School	62	68
Nursery	9	11
	<hr/>	<hr/>
	89	97
	<hr/> <hr/>	<hr/> <hr/>

There were 7 average number of volunteers during the year.

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

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Endowment fund</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	1,353,712	597,130	-	1,950,842
<b>Charitable activities</b>				
Schools operations	1,399,396	-	-	1,399,396
Nursery Operations	123,295	-	-	123,295
DFID	-	182,324	-	182,324
Other income	326,462	-	-	326,462
<b>Total</b>	<hr/>	<hr/>	<hr/>	<hr/>
	3,202,865	779,454	-	3,982,319
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Schools operations	1,390,653	-	-	1,390,653
Grants and Donations	533,720	508,036	-	1,041,756
Support costs	332,845	8,950	36,613	378,408
Nursery Operations	107,745	-	-	107,745
DFID	-	192,146	-	192,146
<b>Total</b>	<hr/>	<hr/>	<hr/>	<hr/>
	2,364,963	709,132	36,613	3,110,708
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>NET INCOME/(EXPENDITURE)</b>	837,902	70,322	(36,613)	871,611
<b>RECONCILIATION OF FUNDS</b>				
Total funds brought forward	1,999,830	(18,864)	6,160,828	8,141,794
	<hr/>	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	2,837,732	51,458	6,124,215	9,013,405

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2022**

**10. INTANGIBLE FIXED ASSETS**

	<b>Trademarks</b>
	<b>£</b>
<b>COST</b>	
At 1 September 2021 and 31 August 2022	3,450
<b>AMORTISATION</b>	
At 1 September 2021 and 31 August 2022	3,450
<b>NET BOOK VALUE</b>	
At 31 August 2022	-
At 31 August 2021	-

**11. TANGIBLE FIXED ASSETS**

	<b>Freehold properties</b>	<b>School Equipments</b>	<b>Fixtures and fittings</b>	<b>Office equipment</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST</b>					
At 1 September 2021	8,605,774	284,122	298,064	514,118	9,702,078
Additions	-	-	1,440	1,989	3,429
Disposals	(1,728,306)	-	-	-	(1,728,306)
At 31 August 2022	6,877,468	284,122	299,504	516,107	7,977,201
<b>DEPRECIATION</b>					
At 1 September 2021	848,542	283,892	279,331	494,484	1,906,249
Charge for year	36,613	230	6,384	10,224	53,451
Eliminated on disposal	(95,289)	-	-	-	(95,289)
At 31 August 2022	789,866	284,122	285,715	504,708	1,864,411
<b>NET BOOK VALUE</b>					
At 31 August 2022	6,087,602	-	13,789	11,399	6,112,790
At 31 August 2021	7,757,232	230	18,733	19,634	7,795,829

Included above in total net book value is cost of land amounting to £5,252,160 (2021: £6,375,559).

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	26,668	61,191
Other debtors	44,628	21,378
Inter-funds temporary balances	81,201	32,897
Prepayments	22,418	21,377
Accrued income	65,909	77,369
	240,824	214,212

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2022**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	64,938	83,526
Social security and other taxes	19,611	21,029
Other creditors	10,936	8,283
Nursery deposits	5,400	5,400
Wages & Salaries	-	(48)
Inter fund ALKW	(2,654)	(47,509)
Inter fund DFID	137,547	80,406
Inter fund SADAAT	(53,692)	-
Deferred income	276,725	280,936
Accrued expenses	39,600	22,200
	<u>498,411</u>	<u>454,223</u>

**14. MOVEMENT IN FUNDS**

	<b>At 1/9/21</b>	<b>Net movement in funds</b>	<b>At 31/8/22</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General Fund	2,598,865	1,055,799	3,654,664
Khums Schem Imam	238,867	92,805	331,672
	<u>2,837,732</u>	<u>1,148,604</u>	<u>3,986,336</u>
<b>Restricted funds</b>			
Khums Sehem Sadaat	-	53,692	53,692
Al-Kawthar/Orphans & Widows	48,386	(37,455)	10,931
DFID Fund	3,072	(978)	2,094
	<u>51,458</u>	<u>15,259</u>	<u>66,717</u>
<b>Endowment funds</b>			
Endowment Fund	6,124,215	(36,613)	6,087,602
	<u>9,013,405</u>	<u>1,127,250</u>	<u>10,140,655</u>
<b>TOTAL FUNDS</b>			
	<u>9,013,405</u>	<u>1,127,250</u>	<u>10,140,655</u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2022**

14. **MOVEMENT IN FUNDS - continued**

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

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	£	£	£
<b>Unrestricted funds</b>			
General Fund	3,178,870	(2,123,071)	1,055,799
Khums Sehem Imam	92,805	-	92,805
	<u>3,271,675</u>	<u>(2,123,071)</u>	<u>1,148,604</u>
<b>Restricted funds</b>			
Khums Sehem Sadaat	92,805	(39,113)	53,692
Al-Kawthar/Orphans & Widows	184,850	(222,305)	(37,455)
DFID Fund	213,522	(214,500)	(978)
	<u>491,177</u>	<u>(475,918)</u>	<u>15,259</u>
<b>Endowment funds</b>			
Endowment Fund	-	(36,613)	(36,613)
	<u>-</u>	<u>(36,613)</u>	<u>(36,613)</u>
<b>TOTAL FUNDS</b>	<u><u>3,762,852</u></u>	<u><u>(2,635,602)</u></u>	<u><u>1,127,250</u></u>

**Comparatives for movement in funds**

	<b>At 1/9/20</b>	<b>Net movement in funds</b>	<b>At 31/8/21</b>
	£	£	£
<b>Unrestricted funds</b>			
General Fund	1,842,193	756,672	2,598,865
Khums Sehem Imam	157,637	81,230	238,867
	<u>1,999,830</u>	<u>837,902</u>	<u>2,837,732</u>
<b>Restricted funds</b>			
Al-Kawthar/Orphans & Widows	(31,759)	80,145	48,386
DFID Fund	12,895	(9,823)	3,072
	<u>(18,864)</u>	<u>70,322</u>	<u>51,458</u>
<b>Endowment funds</b>			
Endowment Fund	6,160,828	(36,613)	6,124,215
	<u>6,160,828</u>	<u>(36,613)</u>	<u>6,124,215</u>
<b>TOTAL FUNDS</b>	<u><u>8,141,794</u></u>	<u><u>871,611</u></u>	<u><u>9,013,405</u></u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2022**

**14. MOVEMENT IN FUNDS - continued**

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

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General Fund	2,894,693	(2,138,021)	756,672
Khums Sehem Imam	308,172	(226,942)	81,230
	<hr/>	<hr/>	<hr/>
	3,202,865	(2,364,963)	837,902
<b>Restricted funds</b>			
Khums Sehem Sadaat	308,172	(308,172)	-
Al-Kawthar/Orphans & Widows	288,959	(208,814)	80,145
DFID Fund	182,323	(192,146)	(9,823)
	<hr/>	<hr/>	<hr/>
	779,454	(709,132)	70,322
<b>Endowment funds</b>			
Endowment Fund	-	(36,613)	(36,613)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<b>3,982,319</b>	<b>(3,110,708)</b>	<b>871,611</b>

A current year 12 months and prior year 12 months combined position is as follows:

	<b>At 1/9/20</b>	<b>Net movement in funds</b>	<b>At 31/8/22</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General Fund	1,842,193	1,812,471	3,654,664
Khums Sehem Imam	157,637	174,035	331,672
	<hr/>	<hr/>	<hr/>
	1,999,830	1,986,506	3,986,336
<b>Restricted funds</b>			
Khums Sehem Sadaat	-	53,692	53,692
Al-Kawthar/Orphans & Widows	(31,759)	42,690	10,931
DFID Fund	12,895	(10,801)	2,094
	<hr/>	<hr/>	<hr/>
	(18,864)	85,581	66,717
<b>Endowment funds</b>			
Endowment Fund	6,160,828	(73,226)	6,087,602
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<b>8,141,794</b>	<b>1,998,861</b>	<b>10,140,655</b>

## The Al-Khoei Benevolent Foundation

### Notes to the Financial Statements - continued for the Year Ended 31 August 2022

#### 14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General Fund	6,073,563	(4,261,092)	1,812,471
Khums Sehem Imam	400,977	(226,942)	174,035
	<hr/>	<hr/>	<hr/>
	6,474,540	(4,488,034)	1,986,506
<b>Restricted funds</b>			
Khums Sehem Sadaat	400,977	(347,285)	53,692
Al-Kawthar/Orphans & Widows	473,809	(431,119)	42,690
DFID Fund	395,845	(406,646)	(10,801)
	<hr/>	<hr/>	<hr/>
	1,270,631	(1,185,050)	85,581
<b>Endowment funds</b>			
Endowment Fund	-	(73,226)	(73,226)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>7,745,171</u>	<u>(5,746,310)</u>	<u>1,998,861</u>

The endowment fund represents net book value of certain freehold properties.

The Unrestricted funds are the receipts and expenditure of the charity for its objectives without specific restriction on its use. It is represented by the charities net current and its other tangible assets.

The Restricted funds are specific funds for specific purposes. The balance is represented by net relevant current assets and its other tangible assets..

#### 15. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The charity contributed in pension £16,414 (2021: £16,261) during the year.

#### 16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2022.

**The Al-Khoei Benevolent Foundation**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 August 2022**

	2022	2021
	£	£
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations and Religious dues	564,560	1,941,457
Gift aid	19,684	9,385
	<hr/>	<hr/>
	584,244	1,950,842
<b>Charitable activities</b>		
School & Nursery Fee Income	1,613,435	1,468,819
School Other Income	83,139	53,872
Grant - DFID	213,522	182,324
	<hr/>	<hr/>
	1,910,096	1,705,015
<b>Other income</b>		
Gain on sale of tangible fixed assets	1,260,482	-
Other income	8,030	326,462
	<hr/>	<hr/>
	1,268,512	326,462
	<hr/>	<hr/>
<b>Total incoming resources</b>	3,762,852	3,982,319
 <b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Misc school expenses	47,431	25,131
Printing postage & stationery	18,405	6,840
Light and heat	56,637	23,355
Transport and travel	582	116
Telephone	7,180	6,241
Rates	20,020	17,835
Repairs & Maintenance	23,041	15,291
Legal & Professional	4,199	2,460
Wages & salaries - School	1,140,559	1,195,818
Bank charges and interest	1,384	1,937
Depreciation	6,614	5,341
Cleaning	7,662	2,370
Insurance	25,997	27,465
Staff Training	14,934	14,491
Misc nursery expenses	5,605	21,282
Wages & Salaries - Nursery	91,360	83,663
Subscription	16,603	13,660
School meal - expenses	42,665	19,657
Saturday school expenses	41,310	25,212
Wages and salaries - DFID	64,768	64,822
Travelling - DFID	33,004	600
Legal & prof. fees - DFID	58,360	68,610
Carried forward	1,728,320	1,642,197

This page does not form part of the statutory financial statements

## The Al-Khoei Benevolent Foundation

### Detailed Statement of Financial Activities for the Year Ended 31 August 2022

	2022	2021
	£	£
<b>Charitable activities</b>		
Brought forward	1,728,320	1,642,197
Swansea Mosque expenses	9,607	5,239
Sermon food	29,098	17,618
Iraq Expenses - DFID	58,368	48,219
NPAC - DFID	-	9,895
Donations to institutions	496,696	984,294
Donation payments	38,290	57,462
	<hr/>	<hr/>
	2,360,379	2,764,924
<b>Support costs</b>		
<b>Management</b>		
Wages & salaries - Foundation	171,843	155,323
Rates and water	1,620	76
Light and heat	3,858	4,780
Telephone	419	297
Postage and stationery	22	407
Travelling	3,061	3,369
Sundries	266	593
Accountancy fees	9,613	22,200
Publication expenses	13,421	16,172
Repairs & Maintenance	540	1,213
Subscriptions	4,924	4,181
Subsistence	106	438
Advertising	10,659	8,205
Book keeping fees	15,000	20,000
Legal & professional fees	15,922	20,270
Cleaning	3,871	2,861
	<hr/>	<hr/>
	255,145	260,385
<b>Finance</b>		
Bank charges	1,745	2,000
Foreign exchange loss/(gains)	(28,504)	23,691
	<hr/>	<hr/>
	(26,759)	25,691
<b>Other</b>		
Freehold property	36,613	48,711
Fixtures and fittings	10,224	10,997
	<hr/>	<hr/>
	46,837	59,708
Total resources expended	<hr/>	<hr/>
	2,635,602	3,110,708
<b>Net income</b>	<hr/>	<hr/>
	1,127,250	871,611

This page does not form part of the statutory financial statements

**THE AL-KHOEI BENEVOLENT FOUNDATION**

England & Wales - Charity number 802000

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# Accounts

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**Report of the Trustees and**  
**Audited Financial Statements for the Year Ended 31 August 2021**  
**for**  
**The Al-Khoei Benevolent Foundation**

Merali's  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

# **The Al-Khoei Benevolent Foundation**

## **Contents of the Financial Statements for the Year Ended 31 August 2021**

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<b>Report of the Independent Auditors</b>	7 to 9
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<b>Cash Flow Statement</b>	12
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## **The Al-Khoei Benevolent Foundation**

### **Report of the Trustees** **for the Year Ended 31 August 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2021. 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**

The objects of the charity as set out in the charity's trust deed is to advance the Islamic religion by all or any of the following means:

- a) Providing and maintaining mosques and religious centres for the worship of Islamic religion.
- b) Teaching and educating young members of the Islamic community in the doctrines and practices of the Islamic religion.

##### **Strategies and Significant Activities**

The Charity in pursuance of its charitable aims and objectives carries out a wide range of activities in the following sectors:

- a) General charitable purposes
- b) Education and training
- c) The prevention or relief of poverty
- d) Religious activities

The charity concentrates its activities around children and young people; elderly and old people, and as well as general public.

The Charity operates mosques and religious centres at Brondesbury complex in North London, Swansea and Manchester. These mosques are open to the general public as place of worship for the followers of Islamic faith. Religious centres organises various religious activities and functions and provides information to raise the awareness of the Islamic faith.

The mosque and centre in Manchester is currently run by The Shia Welfare Association, an independent organisation.

The charity also operates Al-Sadiq school for boys, Al-Zahra school for girls and Al-Ghadeer nursery for pre school age children. All these institutions are licenced by the OFSTED and follows UK national curriculum. The schools provide full time education for up to 400 pupils. In addition, pupils attend classes in Islamic studies and Arabic, which take up around ten percentage of pupils time.

##### **Grantmaking**

The Charity administered collection and distribution of various religious dues like Khums, Zakat, Sadaqat in accordance with the teachings of Islamic faith.

The charity collects general donations and are distributed in pursuance of the Charity's objectives to support education and training, relief of poverty and various religious activities.

##### **Volunteers**

We encourage all members of our mosques and centres to be involved in voluntary activities and to share their skills with others. Volunteers are not paid any salaries but only reimbursed reasonable out of pocket expenses such as travel costs. All volunteers working with children or other vulnerable groups are CRB checked.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **How our activities deliver public benefit**

A wide range of activities are carried out in pursuance of the charitable aims and objectives. The trustees consider that these activities, summarised below, provide benefit to the wider community.

## The Al-Khoi Benevolent Foundation

### Report of the Trustees for the Year Ended 31 August 2021

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Religious activities**

Our mosques are open for prayers, worship and for the activities associated with our faith. The centres are open for the wider public.

During the year under review, we offer a range of religious services and activities including:

##### **Prayers**

Our mosques are available daily for prayers to the general public of Islamic faith. We have hundreds of people attending our mosque for prayers.

##### **Festivals**

The Mosques celebrate Ramadan and serve food for those attending our Mosques who wish to break their fast together. We also hold special events and serve food during the Islamic months of Muharram and Safar on the annual commemoration of the martyrdom of Imam Hussein, the grandson of Prophet Muhammad (PBUH).

The Mosques celebrate the birth and commemorate the martyrdom of all Imams of Shia Ishna Ashari faith during the year.

We hold weekly gathering in the mosques for worship, prayers and recitation of supplications every Thursday evening.

##### **Civil marriages**

The Mosques provide Muslim couples with an appropriate location for their civil marriage and Nikkah (Islamic marriage).

##### **Quran classes**

Memorisation and recitation of the Quran are considered important elements of religious education and training. We continue to provide this facility for young people in the mosque.

##### **Inter-faith events**

We encourage and lead by example the commemoration of national symbolic occasions like Remembrance Sunday.

We often hold public manifestation of our faith e.g. street walks to commemorate certain events such as the fortieth day after the massacre at Karbala (Arbaeen) or Good Friday processions, and thus are a significant opportunity to build bridges between different faiths by communicating the philosophy and principles they are based upon.

##### **Religious dues**

It is part of our faith that we should offer Zakat, Khums, and Sadaqat. They are collected in accordance with the teaching of Islam and distributed for a number of specific purposes including to help others and to further the teachings of Islam.

# **The Al-Khoei Benevolent Foundation**

## **Report of the Trustees for the Year Ended 31 August 2021**

### **ACHIEVEMENT AND PERFORMANCE**

#### **Community activities**

##### **Al-Sadiq and Al-Zahra School**

Well established schools that provide primary education in a mixed setting up to Year 2 and single sex education from Year 3 to Year 11. They are situated in the urban district of Brondesbury in the London Borough of Brent and provide full-time education for up to 400 pupils.

The schools are founded on the Quran and the teachings of the Prophet Mohammed and his Progeny. Through training in the art of building strong community relationships and taking effective public actions, the schools have given pupils the confidence to participate in public life for the good of their communities.

The School and Nursery also offers bursaries and discount on fees for families who are not able to afford to pay the full fees provided that the child demonstrates very good academic history. The school fees is set up in a way not to exclude those on lower income.

##### **Al-Ghadeer Nursery**

We strive to support and provide children with the necessary skills to help enable them develop a good foundation in learning and expressing themselves through play. This in turn helps children to acquire independence, confidence and effective communication.

##### **Halls and rooms**

Our halls and rooms are available to use by local groups, organisations and communities.

##### **Prison service**

The charity is a member of the prison service chaplaincy council acting as advisory role for Shia Muslim prisoners in HM Prisons. It also nominates sessional and part time Shia chaplains to the prison service to supplement chaplaincy services already offered to Muslim prisoners.

##### **Youth Activities**

The Charity offers facilities for youth to gather and involve in educational and sports activities and to develop the youth to be active and law abiding members of the community.

##### **Women**

Women and family programme at mosques offer advice and counselling for couples and empowering women in society offering them educational and sports facilities.

The Charity also runs an academic arm to deal with research on the Shia community and other religious communities and raises the concerns of religious and ethnic minorities at different forums.

##### **Interfaith events**

The Charity is a member of Faith Forum for London and contributes to the cohesion and the needs of faith communities in London.

The Charity is a member of the Religious Education Council and is involved in the development of religious education curriculum and takes part in activities and celebrations of other faiths and regularly holds community events and sharing of food, Iftar.

##### **MINAB**

The Charity is one of the founding member and hosts the offices of the Mosques and Imams National Advisory Board on its premises. MINAB aims to raise standards in mosques and the training of Imams.

##### **Centre for Academic Shia Studies**

The academic arm of MINAB (Cass) undertakes research on Shia and other religious minority affairs, produces papers and briefing documents.

## **The Al-Khoei Benevolent Foundation**

### **Report of the Trustees for the Year Ended 31 August 2021**

#### **FINANCIAL REVIEW**

##### **Principal funding sources**

One of the Charity's main sources of income is the collection of donations and religious dues from general public. During the year the Charity received total donations and religious dues of £1,950,842 (2020: £1,197,593)

Reasonable fees are charged to students for the schools. During the year the Charity generated total school income of £1,399,396 (2020: £1,323,556).

The foundation also operates a fee paying nursery. During the year, the Charity generated total nursery fee income of £123,295 (2020: 203,957).

The Charity is involved in DFID research project headed by Institute of Development Studies. During the year, the Charity generated total DFID grant income of £182,324 (2020: £140,487)

Other income received in the form of CJRS grants of £326,462 (2020: £291,789).

##### **Investment policy and objectives**

The Charity's cash reserves are held in current and saving bank accounts. Any interest earned is added to the general fund reserve and used for the general charitable purposes.

##### **Reserves policy**

Unrestricted funds reserve is maintained to cover governance costs and to respond to various application of grants and donations.

Restricted fund reserve are held to be used within certain restrictions of the relevant funds.

Endowment fund reserve represents the total cost of certain properties after annual depreciation charge.

In setting up the Charity reserve policy, the trustees have identified two unrestricted funds as detailed in the notes. The restricted funds are distributed strictly in accordance with the religious restrictions or other restrictions imposed on the relevant fund.

They have also set up an Endowment fund for certain properties owned by the Charity.

The charity policy on unrestricted funds is to hold unrestricted funds not committed or invested in Tangible Fixed Assets to meet 3 to 6 months expenditures.

The current unrestricted funds of £1,166,118, not committed to tangible fixed assets are sufficient to cover 3 to 6 months expenditure.

A summary of the results for the year is given on pages 8 & 9 of these financial statements.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Al-Khoei Benevolent Foundation was constituted as a charitable trust with the Charity Commission on 23 August 1989 under the charity number 0802000. It is governed by a deed of trust dated 15 August 1989.

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

Trustees are appointed by resolution of the existing trustees.

##### **Organisational structure**

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits.

The trustees meet together as a body and are responsible for all decisions taken in relation to the affairs of The Al-Khoei Foundation in the United Kingdom. The board is chaired by the Secretary General, who is one of the trustees.

The trustees seek spiritual guidance and inspiration in religious matters from both the Central Committee and the President in recognition of their religious status. They merely endorse religious matters and are not involved in daily running of the charity. They do not have any influence over the trustees.

The Central Committee is an honorary committee based in the holy city of Najaf, Iraq.

The president is an Honorary title given to Ayatollah of the Shia faith who is also based in Najaf, Iraq.

# **The Al-Khoei Benevolent Foundation**

## **Report of the Trustees** **for the Year Ended 31 August 2021**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Induction and training of new trustees**

Following appointment, new trustees are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided including the guidance on charities and public benefit and on the advancement of the religion for public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with existing trustees assisting on particular activities and projects run by the Charity. After satisfactory feedback from existing trustees they are then given the task of leading a particular activity or project, reporting progress at trustees' meetings.

#### **Post Balance Sheet events**

The Trustees have formed a new charitable incorporated organisation (CIO) on 10 June 2022 as The Al-Khoei Benevolent Foundation. The activities and assets of the existing charity are in the process of being transferred over to the new CIO. The process is expected to take more than 12 months from the date of this report.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **Registered Charity number**

802000

#### **Principal address**

Chevening Road  
London  
NW6 6TN

#### **Trustees**

Mr S S Khoei  
Mr S F H Milani  
Mr S M H Faghihe-Moussavi

#### **Auditors**

Merali's  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

### **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).

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

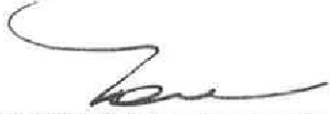
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed 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.

**The Al-Khoei Benevolent Foundation**

**Report of the Trustees**  
**for the Year Ended 31 August 2021**

Approved by order of the board of trustees on 28/6/2022 and signed on its behalf by:



.....  
Mr S S Khoei - Trustee

## **Report of the Independent Auditors to the Trustees of The Al-Khoei Benevolent Foundation**

### **Opinion**

We have audited the financial statements of The Al-Khoei Benevolent Foundation (the 'charity') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 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; 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.

### **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.

## **Report of the Independent Auditors to the Trustees of The Al-Khoei Benevolent Foundation**

### **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.

We identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

### **Identifying and assessing potential risks related to irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of management and trustees including obtaining and reviewing supporting documentation concerning the charity's policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

- obtaining an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the charity. The key laws and regulations we considered in this context included the Charities Act 2011 and Charities SORP (FRS 102).

### **Audit response to risks identified**

As a result of performing the above, we identified management override of controls, revenue recognition including occurrence and classification and donation payments (occurrence and accurate allocation across funds) as key audit matters.

Our procedures to respond to risks identified included the following:

- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the charity's rationale of any significant transactions that are unusual or outside the normal course of business.

- Substantive testing on donation income and school income.

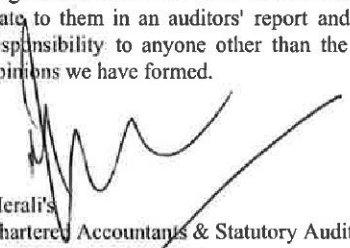
- Substantive testing on donation payments to ensure such payments are properly authorised, paid in accordance with the purpose and conditions of grants (no misapplication of restricted funds), and payments are within the objectives of the charity.

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

**Report of the Independent Auditors to the Trustees of**  
**The Al-Khoei Benevolent Foundation**

**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.



Merali's  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

Date: .....

29<sup>th</sup> JUNE 2022

**The Al-Khoei Benevolent Foundation**

**Statement of Financial Activities**  
**for the Year Ended 31 August 2021**

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	1,353,712	597,130	-	1,950,842	1,197,593
<b>Charitable activities</b>						
Schools operations	3	1,399,396	-	-	1,399,396	1,323,556
Nursery Operations		123,295	-	-	123,295	203,957
DFID		-	182,324	-	182,324	140,487
Other income		326,462	-	-	326,462	291,789
<b>Total</b>		<b>3,202,865</b>	<b>779,454</b>	<b>-</b>	<b>3,982,319</b>	<b>3,157,382</b>
<b>EXPENDITURE ON Charitable activities</b>						
Schools operations	4	1,390,653	-	-	1,390,653	1,374,990
Grants and Donations		533,720	508,036	-	1,041,756	926,883
Support costs		332,845	8,950	36,613	378,408	378,565
Nursery Operations		107,745	-	-	107,745	101,194
DFID		-	192,146	-	192,146	130,211
<b>Total</b>		<b>2,364,963</b>	<b>709,132</b>	<b>36,613</b>	<b>3,110,708</b>	<b>2,911,843</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>837,902</b>	<b>70,322</b>	<b>(36,613)</b>	<b>871,611</b>	<b>245,539</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<b>1,999,830</b>	<b>(18,864)</b>	<b>6,160,828</b>	<b>8,141,794</b>	<b>7,896,255</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>2,837,732</b>	<b>51,458</b>	<b>6,124,215</b>	<b>9,013,405</b>	<b>8,141,794</b>


The notes form part of these financial statements

**The Al-Khoei Benevolent Foundation**

**Balance Sheet  
31 August 2021**

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	11	1,671,614	-	6,124,215	7,795,829	7,854,269
<b>CURRENT ASSETS</b>						
Debtors	12	149,230	64,982	-	214,212	185,286
Cash at bank and in hand		1,438,214	19,373	-	1,457,587	366,750
		<u>1,587,444</u>	<u>84,355</u>	<u>-</u>	<u>1,671,799</u>	<u>552,036</u>
<b>CREDITORS</b>						
Amounts falling due within one year	13	(421,326)	(32,897)	-	(454,223)	(264,511)
<b>NET CURRENT ASSETS</b>		<u>1,166,118</u>	<u>51,458</u>	<u>-</u>	<u>1,217,576</u>	<u>287,525</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,837,732</u>	<u>51,458</u>	<u>6,124,215</u>	<u>9,013,405</u>	<u>8,141,794</u>
<b>NET ASSETS</b>		<u>2,837,732</u>	<u>51,458</u>	<u>6,124,215</u>	<u>9,013,405</u>	<u>8,141,794</u>
<b>FUNDS</b>	14					
Unrestricted funds					2,837,732	1,999,830
Restricted funds					51,458	(18,864)
Endowment funds					6,124,215	6,160,828
<b>TOTAL FUNDS</b>					<u>9,013,405</u>	<u>8,141,794</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 28/06/2022 and were signed on its behalf by:



Mr S S Khoei - Trustee

The notes form part of these financial statements

**The Al-Khoei Benevolent Foundation**

**Cash Flow Statement**  
**for the Year Ended 31 August 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,097,447	281,806
Net cash provided by operating activities		<u>1,097,447</u>	<u>281,806</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(6,610)	(34,375)
Net cash used in investing activities		<u>(6,610)</u>	<u>(34,375)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>1,090,837</u>	<u>247,431</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>366,750</u>	<u>119,319</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>1,457,587</u></u>	<u><u>366,750</u></u>

The notes form part of these financial statements

**The Al-Khoei Benevolent Foundation**

**Notes to the Cash Flow Statement  
for the Year Ended 31 August 2021**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	871,611	245,539
<b>Adjustments for:</b>		
Depreciation charges	65,050	69,030
(Increase)/decrease in debtors	(28,926)	7,796
Increase/(decrease) in creditors	189,712	(40,559)
<b>Net cash provided by operations</b>	<u>1,097,447</u>	<u>281,806</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At 1/9/20</b>	<b>Cash flow</b>	<b>At 31/8/21</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net cash</b>			
Cash at bank and in hand	<u>366,750</u>	<u>1,090,837</u>	<u>1,457,587</u>
	<u>366,750</u>	<u>1,090,837</u>	<u>1,457,587</u>
<b>Total</b>	<u>366,750</u>	<u>1,090,837</u>	<u>1,457,587</u>

The notes form part of these financial statements

## **The Al-Khoei Benevolent Foundation**

### **Notes to the Financial Statements for the Year Ended 31 August 2021**

#### **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.

##### **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.

##### **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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

##### **Charitable activities**

Charitable activities cost comprises all the operating expenses for its charitable activities like School, Nursery, DFID and general disbursements of grants and donations.

Grants and donations represent donation paid out in accordance with the Charity's objectives.

DFID is a research project which Al-Khoei is engaged in by Institute of Development Studies to gather information and carry out research work on shia muslim minorities in various countries around the world.

School and nursery costs represent the total direct costs for running and maintaining both the schools and nursery.

##### **Allocation and apportionment of costs**

Support cost include administrative cost relates to the foundation and have been allocated to activity cost categories on a basis consistent with the use of resources.

##### **Intangible assets**

Intangible assets are stated at initial cost less any permanent impairments.

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Freehold properties in London	Cost of building over 50 years
Freehold properties in Swansea	Cost of building over 25 years
Freehold property in Manchester	Cost of building over 15 years
School Equipment	20% on cost
Fixtures and fittings	15% on cost
Office equipment	20% on cost

##### **Fund accounting**

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment fund represents the properties held by the charity and depreciation relating to the property are charged against the fund.

## The Al-Khoei Benevolent Foundation

### Notes to the Financial Statements - continued for the Year Ended 31 August 2021

#### 1. ACCOUNTING POLICIES - continued

##### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

##### Government grants

Grants are accounted for under the accruals model permitted by FRS 102. Grants of revenue nature are recognised in the Statement of Financial Activities in the same period as the related expenditure. Any accrued elements of grants is included in debtors as accrued income.

##### Going concern

Trustees believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. Trustees have considered the impact of Covid19 as well as operational and financial factors for a period of twelve months from the date of approval of the financial statements.

For the above reason, the trustees continue to adopt the going concern basis in preparing these financial statements.

#### 2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations and Religious dues	1,941,457	1,176,999
Gift aid	9,385	20,594
	1,950,842	1,197,593

#### 3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
School & Nursery Fee Income	Schools operations	1,345,524	1,240,013
School Other Income	Schools operations	53,872	83,543
School & Nursery Fee Income	Nursery Operations	123,295	203,957
Grant - DFID	DFID	182,324	140,487
		1,705,015	1,668,000

#### 4. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Grant funding of activities (see note 5)	Support costs (see note 6)	Totals
	£	£	£	£
Schools operations	1,390,653	-	-	1,390,653
Grants and Donations	-	1,041,756	-	1,041,756
Support costs	32,624	-	345,784	378,408
Nursery Operations	107,745	-	-	107,745
DFID	192,146	-	-	192,146
	1,723,168	1,041,756	345,784	3,110,708

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2021**

<b>5.</b>	<b>GRANTS PAYABLE</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Grants and Donations	1,041,756	926,883

The total grants paid to institutions during the year were £984,293 (2020 - £879,785)

<b>6.</b>	<b>SUPPORT COSTS</b>	<b>Management</b>	<b>Finance</b>	<b>Other</b>	<b>Totals</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Support costs	260,385	25,691	59,708	345,784

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

**Management**

	<b>2021</b>	<b>2020</b>
	<b>Support costs</b>	<b>Total activities</b>
	<b>£</b>	<b>£</b>
Wages & salaries - Foundation	155,323	156,692
Rates and water	76	3,191
Light and heat	4,780	3,201
Telephone	297	269
Postage and stationery	407	223
Travelling	3,369	2,250
Sundries	593	766
Accountancy fees	22,200	22,440
Publication expenses	16,172	-
Repairs & Maintenance	1,213	1,602
Subscriptions	4,181	1,893
Subsistence	438	585
Advertising	8,205	4,860
Book keeping fees	20,000	15,000
Legal & professional fees	20,270	41,448
Bad debt	-	1,500
Prison visit	-	242
Cleaning	2,861	1,298
	<u>260,385</u>	<u>257,460</u>

**Finance**

	<b>2021</b>	<b>2020</b>
	<b>Support costs</b>	<b>Total activities</b>
	<b>£</b>	<b>£</b>
Bank charges	2,000	1,487
Foreign exchange loss/(gains)	23,691	(14,322)
	<u>25,691</u>	<u>(12,835)</u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2021**

**6. SUPPORT COSTS - continued**

**Other**

	<b>2021</b>	<b>2020</b>
	<b>Support</b>	<b>Total</b>
	<b>costs</b>	<b>activities</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	59,708	63,611

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year 31 August 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

**8. STAFF COSTS**

The total Wages and salaries for the year was as follows

	31/08/21	31/08/20
	£	£
Mosque	7,300	12,834
School	1,195,818	1,123,868
Nursery	83,663	88,830
Foundation	212,884	210,447
	<u>1,499,664</u>	<u>1,435,979</u>

The average number of employees during the year was as follows

	31/08/21	31/08/20
Mosque	3	2
School	68	69
Nursery	11	10
Foundation	15	16
	<u>97</u>	<u>97</u>

There were 3 average number of volunteers during the year.

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

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Endowment</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>fund</b>	<b>funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	571,512	626,081	-	1,197,593
<b>Charitable activities</b>				
Schools operations	1,323,556	-	-	1,323,556
Nursery Operations	203,957	-	-	203,957
DFID	-	140,487	-	140,487
Other income	291,789	-	-	291,789
<b>Total</b>	<u>2,390,814</u>	<u>766,568</u>	<u>-</u>	<u>3,157,382</u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021**

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Schools operations	1,374,990	-	-	1,374,990
Grants and Donations	311,712	615,171	-	926,883
Support costs	336,846	5,106	36,613	378,565
Nursery Operations	101,194	-	-	101,194
DFID	-	130,211	-	130,211
<b>Total</b>	2,124,742	750,488	36,613	2,911,843
<b>NET INCOME/(EXPENDITURE)</b>	266,072	16,080	(36,613)	245,539
<b>Transfers between funds</b>	(23,814)	-	23,814	-
<b>Net movement in funds</b>	242,258	16,080	(12,799)	245,539
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	1,757,572	(34,944)	6,173,627	7,896,255
<b>TOTAL FUNDS CARRIED FORWARD</b>	1,999,830	(18,864)	6,160,828	8,141,794

10. INTANGIBLE FIXED ASSETS

	<b>Trademarks</b> £
<b>COST</b>	
At 1 September 2020 and 31 August 2021	3,450
<b>AMORTISATION</b>	
At 1 September 2020 and 31 August 2021	3,450
<b>NET BOOK VALUE</b>	
At 31 August 2021	-
At 31 August 2020	-

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021**

**11. TANGIBLE FIXED ASSETS**

	<b>Freehold properties £</b>	<b>School Equipments £</b>	<b>Fixtures and fittings £</b>	<b>Office equipment £</b>	<b>Totals £</b>
<b>COST</b>					
At 1 September 2020	8,605,774	284,122	294,412	511,160	9,695,468
Additions	-	-	3,652	2,958	6,610
At 31 August 2021	<u>8,605,774</u>	<u>284,122</u>	<u>298,064</u>	<u>514,118</u>	<u>9,702,078</u>
<b>DEPRECIATION</b>					
At 1 September 2020	799,830	283,662	274,220	483,487	1,841,199
Charge for year	48,712	230	5,111	10,997	65,050
At 31 August 2021	<u>848,542</u>	<u>283,892</u>	<u>279,331</u>	<u>494,484</u>	<u>1,906,249</u>
<b>NET BOOK VALUE</b>					
At 31 August 2021	<u>7,757,232</u>	<u>230</u>	<u>18,733</u>	<u>19,634</u>	<u>7,795,829</u>
At 31 August 2020	<u>7,805,944</u>	<u>460</u>	<u>20,192</u>	<u>27,673</u>	<u>7,854,269</u>

Included above in total net book value is cost of land amounting to £6,375,559.

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2021 £</b>	<b>2020 £</b>
Trade debtors	61,191	47,460
Other debtors	21,378	33,149
Inter-funds temporary balances	32,897	60,214
Prepayments	21,377	12,055
Accrued income	77,369	32,408
	<u>214,212</u>	<u>185,286</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2021 £</b>	<b>2020 £</b>
Trade creditors	83,526	77,052
Social security and other taxes	21,029	17,286
Other creditors	8,283	13,804
Nursery deposits	5,400	6,200
Wages & Salaries	(48)	-
Inter-funds - ALKW	(47,509)	60,214
Inter-fund DFID	80,406	-
Deferred income	280,936	67,755
Accrued expenses	22,200	22,200
	<u>454,223</u>	<u>264,511</u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021**

**14. MOVEMENT IN FUNDS**

	<b>At 1/9/20</b>	<b>Net movement in funds</b>	<b>At 31/8/21</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General Fund	1,842,193	756,672	2,598,865
Khums Sehem Imam	157,637	81,230	238,867
	<hr/>	<hr/>	<hr/>
	1,999,830	837,902	2,837,732
<b>Restricted funds</b>			
Al-Kawthar/Orphans & Widows	(31,759)	80,145	48,386
DFID Fund	12,895	(9,823)	3,072
	<hr/>	<hr/>	<hr/>
	(18,864)	70,322	51,458
<b>Endowment funds</b>			
Endowment Fund	6,160,828	(36,613)	6,124,215
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<b>8,141,794</b>	<b>871,611</b>	<b>9,013,405</b>

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

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General Fund	2,894,693	(2,138,021)	756,672
Khums Sehem Imam	308,172	(226,942)	81,230
	<hr/>	<hr/>	<hr/>
	3,202,865	(2,364,963)	837,902
<b>Restricted funds</b>			
Khums Sehem Sadaat	308,172	(308,172)	-
Al-Kawthar/Orphans & Widows	288,959	(208,814)	80,145
DFID Fund	182,323	(192,146)	(9,823)
	<hr/>	<hr/>	<hr/>
	779,454	(709,132)	70,322
<b>Endowment funds</b>			
Endowment Fund	-	(36,613)	(36,613)
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<b>3,982,319</b>	<b>(3,110,708)</b>	<b>871,611</b>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2021**

**14. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	<b>At 1/9/19</b>	<b>Net movement in funds</b>	<b>Transfers between funds</b>	<b>At 31/8/20</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>				
General Fund	1,757,572	108,435	(23,814)	1,842,193
Khums Sehem Imam	-	157,637	-	157,637
	<u>1,757,572</u>	<u>266,072</u>	<u>(23,814)</u>	<u>1,999,830</u>
<b>Restricted funds</b>				
Al-Kawthar/Orphans & Widows	(37,563)	5,804	-	(31,759)
DFID Fund	2,619	10,276	-	12,895
	<u>(34,944)</u>	<u>16,080</u>	<u>-</u>	<u>(18,864)</u>
<b>Endowment funds</b>				
Endowment Fund	6,173,627	(36,613)	23,814	6,160,828
<b>TOTAL FUNDS</b>	<u><u>7,896,255</u></u>	<u><u>245,539</u></u>	<u><u>-</u></u>	<u><u>8,141,794</u></u>

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

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General Fund	2,006,129	(1,897,694)	108,435
Khums Sehem Imam	384,685	(227,048)	157,637
	<u>2,390,814</u>	<u>(2,124,742)</u>	<u>266,072</u>
<b>Restricted funds</b>			
Khums Sehem Sadaat	384,675	(384,675)	-
Al-Kawthar/Orphans & Widows	241,406	(235,602)	5,804
DFID Fund	140,487	(130,211)	10,276
	<u>766,568</u>	<u>(750,488)</u>	<u>16,080</u>
<b>Endowment funds</b>			
Endowment Fund	-	(36,613)	(36,613)
<b>TOTAL FUNDS</b>	<u><u>3,157,382</u></u>	<u><u>(2,911,843)</u></u>	<u><u>245,539</u></u>

## The Al-Khoei Benevolent Foundation

### Notes to the Financial Statements - continued for the Year Ended 31 August 2021

#### 14. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/9/19 £	Net movement in funds £	Transfers between funds £	At 31/8/21 £
<b>Unrestricted funds</b>				
General Fund	1,757,572	865,107	(23,814)	2,598,865
Khums Sehem Imam	-	238,867	-	238,867
	<u>1,757,572</u>	<u>1,103,974</u>	<u>(23,814)</u>	<u>2,837,732</u>
<b>Restricted funds</b>				
Al-Kawthar/Orphans & Widows	(37,563)	85,949	-	48,386
DFID Fund	2,619	453	-	3,072
	<u>(34,944)</u>	<u>86,402</u>	<u>-</u>	<u>51,458</u>
<b>Endowment funds</b>				
Endowment Fund	6,173,627	(73,226)	23,814	6,124,215
<b>TOTAL FUNDS</b>	<u><u>7,896,255</u></u>	<u><u>1,117,150</u></u>	<u><u>-</u></u>	<u><u>9,013,405</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General Fund	4,900,822	(4,035,715)	865,107
Khums Sehem Imam	692,857	(453,990)	238,867
	<u>5,593,679</u>	<u>(4,489,705)</u>	<u>1,103,974</u>
<b>Restricted funds</b>			
Khums Sehem Sadaat	692,847	(692,847)	-
Al-Kawthar/Orphans & Widows	530,365	(444,416)	85,949
DFID Fund	322,810	(322,357)	453
	<u>1,546,022</u>	<u>(1,459,620)</u>	<u>86,402</u>
<b>Endowment funds</b>			
Endowment Fund	-	(73,226)	(73,226)
<b>TOTAL FUNDS</b>	<u><u>7,139,701</u></u>	<u><u>(6,022,551)</u></u>	<u><u>1,117,150</u></u>

The endowment fund represents net book value of certain freehold properties.

The Unrestricted funds are the receipts and expenditure of the charity for its objectives without specific restriction on its use. It is represented by the charities net current and its other tangible assets.

The Restricted funds are specific funds for specific purposes. The balance is represented by net relevant current assets and its other tangible assets..

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2021**

**15. EMPLOYEE BENEFIT OBLIGATIONS**

The charity operates a defined contribution pension scheme. The charity contributed in pension £16,261 (2020: £15,704) during the year.

**16. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 August 2021.

**The Al-Khoei Benevolent Foundation**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 August 2021**

	2021	2020
	£	£
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations and Religious dues	1,941,457	1,176,999
Gift aid	9,385	20,594
	<hr/>	<hr/>
	1,950,842	1,197,593
<b>Charitable activities</b>		
School & Nursery Fee Income	1,468,819	1,443,970
School Other Income	53,872	83,543
Grant - DFID	182,324	140,487
	<hr/>	<hr/>
	1,705,015	1,668,000
<b>Other income</b>		
Other income	326,462	291,789
	<hr/>	<hr/>
<b>Total incoming resources</b>	3,982,319	3,157,382
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Misc school expenses	25,131	37,883
Printing postage & stationery	6,840	13,072
Light and heat	23,355	35,269
Transport and travel	116	184
Telephone	6,241	6,311
Rates	17,835	25,532
Repairs & Maintenance	15,291	11,972
Legal & Professional	2,460	8,125
Wages & salaries - School	1,195,818	1,123,868
Bank charges and interest	1,937	2,016
Depreciation	5,341	5,417
Cleaning	2,370	9,769
Insurance	27,465	26,080
Staff Training	14,491	22,334
Misc nursery expenses	21,282	12,163
Wages & Salaries - Nursery	83,663	88,830
Subscription	13,660	10,045
School meal - expenses	19,657	21,395
Saturday school expenses	25,212	38,554
Wages and salaries - DFID	64,822	66,890
Travelling - DFID	600	10,821
Legal & prof. fees - DFID	68,610	52,500
Swansea Mosque expenses	5,239	5,655
Sermon food	17,618	42,039
Iraq Expenses - DFID	48,219	-
NPAC - DFID	9,895	-
Donations to institutions	984,294	879,785
Donation payments	57,462	47,098
	<hr/>	<hr/>
	2,764,924	2,603,607

This page does not form part of the statutory financial statements

**The Al-Khoei Benevolent Foundation**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 August 2021**

	2021	2020
	£	£
<b>Support costs</b>		
<b>Management</b>		
Wages & salaries - Foundation	155,323	156,692
Rates and water	76	3,191
Light and heat	4,780	3,201
Telephone	297	269
Postage and stationery	407	223
Travelling	3,369	2,250
Sundries	593	766
Accountancy fees	22,200	22,440
Publication expenses	16,172	-
Repairs & Maintenance	1,213	1,602
Subscriptions	4,181	1,893
Subsistence	438	585
Advertising	8,205	4,860
Book keeping fees	20,000	15,000
Legal & professional fees	20,270	41,448
Bad debt	-	1,500
Prison visit	-	242
Cleaning	2,861	1,298
	<hr/>	<hr/>
	260,385	257,460
<b>Finance</b>		
Bank charges	2,000	1,487
Foreign exchange loss/(gains)	23,691	(14,322)
	<hr/>	<hr/>
	25,691	(12,835)
<b>Other</b>		
Freehold property	48,711	48,711
Fixtures and fittings	10,997	14,900
	<hr/>	<hr/>
	59,708	63,611
Total resources expended	<hr/>	<hr/>
	3,110,708	2,911,843
<b>Net income</b>	<hr/>	<hr/>
	871,611	245,539

This page does not form part of the statutory financial statements



**THE AL-KHOEI BENEVOLENT FOUNDATION**

England & Wales - Charity number 802000

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# Accounts

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**Report of the Trustees and**  
**Audited Financial Statements for the Year Ended 31 August 2020**  
**for**  
**The Al-Khoei Benevolent Foundation**

Merali's  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

**The Al-Khoei Benevolent Foundation**

**Contents of the Financial Statements  
for the Year Ended 31 August 2020**

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## **The Al-Khoei Benevolent Foundation**

### **Report of the Trustees** **for the Year Ended 31 August 2020**

The trustees present their report with the financial statements of the charity for the year ended 31 August 2020. 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**

The objects of the charity as set out in the charity's trust deed is to advance the Islamic religion by all or any of the following means:

- a) Providing and maintaining mosques and religious centres for the worship of Islamic religion.
- b) Teaching and educating young members of the Islamic community in the doctrines and practices of the Islamic religion.

##### **Strategies and Significant Activities**

The Charity in pursuance of its charitable aims and objectives carries out a wide range of activities in the following sectors:

- a) General charitable purposes
- b) Education and training
- c) The prevention or relief of poverty
- d) Religious activities

The charity concentrates its activities around children and young people; elderly and old people, and as well as general public.

The Charity operates mosques and religious centres at Brondebury complex in North London, Swansea and Manchester. These mosques are open to the general public as place of worship for the followers of Islamic faith. Religious centres organises various religious activities and functions and provides information to raise the awareness of the Islamic faith.

The mosque and centre in Manchester is currently run by The Shia Welfare Association, an independent organisation.

The charity also operates Al-Sadiq school for boys, Al-Zahra school for girls and Al-Ghadeer nursery for pre school age children. All these institutions are licenced by the OFSTED and follows UK national curriculum. The schools provide full time education for up to 400 pupils. In addition, pupils attend classes in Islamic studies and Arabic, which take up around ten percentage of pupils time.

##### **Grantmaking**

The Charity administered collection and distribution of various religious dues like Khums, Zakat, Sadaqat in accordance with the teachings of Islamic faith.

The charity collects general donations and are distributed in pursuance of the Charity's objectives to support education and training, relief of poverty and various religious activities.

##### **Volunteers**

We encourage all members of our mosques and centres to be involved in voluntary activities and to share their skills with others. Volunteers are not paid any salaries but only reimbursed reasonable out of pocket expenses such as travel costs. All volunteers working with children or other vulnerable groups are CRB checked.

#### **ACHIEVEMENT AND PERFORMANCE**

##### **How our activities deliver public benefit**

A wide range of activities are carried out in pursuance of the charitable aims and objectives. The trustees consider that these activities, summarised below, provide benefit to the wider community.

**The Al-Khoei Benevolent Foundation**

**Report of the Trustees**  
**for the Year Ended 31 August 2020**

**ACHIEVEMENT AND PERFORMANCE**

**Religious activities**

Our mosques are open for prayers, worship and for the activities associated with our faith. The centres are open for the wider public.

During the year under review, we offer a range of religious services and activities including:

**Prayers**

Our mosques are available daily for prayers to the general public of Islamic faith. We have hundreds of people attending our mosque for prayers.

**Festivals**

The Mosques celebrate Ramadan and serve food for those attending our Mosques who wish to break their fast together. We also hold special events and serve food during the Islamic months of Muharram and Safar on the annual commemoration of the martyrdom of Imam Hussein, the grandson of Prophet Muhammad (PBUH).

The Mosques celebrate the birth and commemorate the martyrdom of all Imams of Shia Ishna Ashari faith during the year.

We hold weekly gathering in the mosques for worship, prayers and recitation of supplications every Thursday evening.

**Civil marriages**

The Mosques provide Muslim couples with an appropriate location for their civil marriage and Nikkah (Islamic marriage).

**Quran classes**

Memorisation and recitation of the Quran are considered important elements of religious education and training. We continue to provide this facility for young people in the mosque.

**Inter-faith events**

We encourage and lead by example the commemoration of national symbolic occasions like Remembrance Sunday.

We often hold public manifestation of our faith e.g. street walks to commemorate certain events such as the fortieth day after the massacre at Karbala (Arbaeen) or Good Friday processions, and thus are a significant opportunity to build bridges between different faiths by communicating the philosophy and principles they are based upon.

**Religious dues**

It is part of our faith that we should offer Zakat, Khums, and Sadaqat. They are collected in accordance with the teaching of Islam and distributed for a number of specific purposes including to help others and to further the teachings of Islam.

## **The Al-Khoei Benevolent Foundation**

### **Report of the Trustees** **for the Year Ended 31 August 2020**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Community activities**

##### **Al-Sadiq and Al-Zahra School**

Well established schools that provide primary education in a mixed setting up to Year 2 and single sex education from Year 3 to Year 11. They are situated in the urban district of Brondesbury in the London Borough of Brent and provide full-time education for up to 400 pupils.

The schools are founded on the Quran and the teachings of the Prophet Mohammed and his Progeny. Through training in the art of building strong community relationships and taking effective public actions, the schools have given pupils the confidence to participate in public life for the good of their communities.

The School and Nursery also offers bursaries and discount on fees for families who are not able to afford to pay the full fees provided that the child demonstrates very good academic history. The school fees is set up in a way not to exclude those on lower income.

##### **Al-Ghadeer Nursery**

We strive to support and provide children with the necessary skills to help enable them develop a good foundation in learning and expressing themselves through play. This in turn helps children to acquire independence, confidence and effective communication.

##### **Halls and rooms**

Our halls and rooms are available to use by local groups, organisations and communities.

##### **Prison service**

The charity is a member of the prison service chaplaincy council acting as advisory role for Shia Muslim prisoners in HM Prisons. It also nominates sessional and part time Shia chaplains to the prison service to supplement chaplaincy services already offered to Muslim prisoners.

##### **Youth Activities**

The Charity offers facilities for youth to gather and involve in educational and sports activities and to develop the youth to be active and law abiding members of the community.

##### **Women**

Women and family programme at mosques offer advice and counselling for couples and empowering women in society offering them educational and sports facilities.

The Charity also runs an academic arm to deal with research on the Shia community and other religious communities and raises the concerns of religious and ethnic minorities at different forums.

##### **Interfaith events**

The Charity is a member of Faith Forum for London and contributes to the cohesion and the needs of faith communities in London.

The Charity is a member of the Religious Education Council and is involved in the development of religious education curriculum and takes part in activities and celebrations of other faiths and regularly holds community events and sharing of food, Iftar.

#### **MINAB**

The Charity is one of the founding member and hosts the offices of the Mosques and Imams National Advisory Board on its premises. MINAB aims to raise standards in mosques and the training of Imams.

##### **Centre for Academic Shia Studies**

The academic arm of MINAB (Cass) undertakes research on Shia and other religious minority affairs, produces papers and briefing documents.

#### **FINANCIAL REVIEW**

##### **Principal funding sources**

One of the Charity's main sources of income is the collection of donations and religious dues from general public. During the year the Charity received total donations and religious dues of £1,197,593.

Reasonable fees are charged to students for the schools. During the year the Charity generated total school income of £1,323,556.

The foundation also operates a fee paying nursery. During the year, the Charity generated total nursery fee income of £203,957.

The Charity is involved in DFID research project headed by Institute of Development Studies. During the year, the Charity generated total DFID grant income of £140,487.

##### **Investment policy and objectives**

The Charity's cash reserves are held in current and saving bank accounts. Any interest earned is added to the general fund reserve and used for the general charitable purposes.

## The Al-Khoei Benevolent Foundation

### Report of the Trustees for the Year Ended 31 August 2020

#### **FINANCIAL REVIEW**

##### **Reserves policy**

Unrestricted funds reserve is maintained to cover governance costs and to respond to various application of grants and donations.

Restricted fund reserve are held to be used within certain restrictions of the relevant funds.

Endowment fund reserve represents the total cost of functional properties after annual depreciation charge.

In setting up the Charity reserve policy, the trustees have identified two unrestricted funds as detailed in the notes. The restricted funds are distributed strictly in accordance with the religious restrictions or other restrictions imposed on the relevant fund.

They have also set up an Endowment fund for the properties owned by the Charity.

The charity policy on unrestricted funds is to hold unrestricted funds not committed or invested in Tangible Fixed Assets to meet 3 to 6 months expenditures.

The current unrestricted funds of £306,389, not committed to tangible fixed assets are not sufficient to cover 3 to 6 months expenditure. However, this is a temporary shortfall which the Trustees are aware of and have therefore made necessary arrangements to replenish the unrestricted reserves soon and ensure they are maintained in line with the reserve policy.

A summary of the results for the year is given on pages 8 & 9 of these financial statements.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The Al-Khoei Benevolent Foundation was constituted as a charitable trust with the Charity Commission on 23 August 1989 under the charity number 0802000. It is governed by a deed of trust dated 15 August 1989.

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

Trustees are appointed by resolution of the existing trustees.

##### **Organisational structure**

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits.

The trustees meet together as a body and are responsible for all decisions taken in relation to the affairs of The Al-Khoei Foundation in the United Kingdom. The board is chaired by the Secretary General, who is one of the trustees.

The trustees seek spiritual guidance and inspiration in religious matters from both the Central Committee and the President in recognition of their religious status. They merely endorse religious matters and are not involved in daily running of the charity. They do not have any influence over the trustees.

The Central Committee is an honorary committee based in the holy city of Najaf, Iraq.

The president is an Honorary title given to Ayatollah of the Shia faith who is also based in Najaf, Iraq.

##### **Induction and training of new trustees**

Following appointment, new trustees are introduced to their new role and given copies of the trust deed and a guide to the policies and procedures adopted by our charity. A number of publications from the Charity Commission are also provided including the guidance on charities and public benefit and on the advancement of the religion for public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with existing trustees assisting on particular activities and projects run by the Charity. After satisfactory feedback from existing trustees they are then given the task of leading a particular activity or project, reporting progress at trustees' meetings.

##### **Post Balance Sheet events**

The Trustees are in the process of incorporating the Trust into charitable incorporated organisation (CIO). This has not been finalised as at the date of this report.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

802000

##### **Principal address**

Chevening Road  
London  
NW6 6TN

##### **Trustees**

Mr S S Khoei  
Mr S F H Milani  
Mr S M H Faghihe-Moussavi

**The Al-Khoei Benevolent Foundation**

**Report of the Trustees**  
**for the Year Ended 31 August 2020**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Auditors**

Merali's  
Chartered Accountants & Statutory Auditors  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

**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).

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.

Approved by order of the board of trustees on 29 June 2021 and signed on its behalf by:



Mr S S Khoei - Trustee

**Report of the Independent Auditors to the Trustees of  
The Al-Khoei Benevolent Foundation**

**Opinion**

We have audited the financial statements of The Al-Khoei Benevolent Foundation (the 'charity') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2020 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; 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

**Report of the Independent Auditors to the Trustees of**  
**The Al-Khoei Benevolent Foundation**

**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.

Meralis  
Chartered Accountants & Statutory Auditors  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Scottish Provident House  
76-80 College Road  
Harrow  
Middlesex  
HA1 1BQ

29 June 2021

**The Al-Khoei Benevolent Foundation**

**Statement of Financial Activities**  
**for the Year Ended 31 August 2020**

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	2020 Total funds £	2019 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and legacies	2	571,512	626,081	-	1,197,593	3,784,496
<b>Charitable activities</b>						
Schools operations	3	1,323,556	-	-	1,323,556	1,538,394
Nursery Operations		203,957	-	-	203,957	202,149
DFID		-	140,487	-	140,487	98,346
Other income		291,789	-	-	291,789	246
<b>Total</b>		<b>2,390,814</b>	<b>766,568</b>	<b>-</b>	<b>3,157,382</b>	<b>5,623,631</b>
<b>EXPENDITURE ON Charitable activities</b>						
Schools operations	4	1,374,990	-	-	1,374,990	1,386,906
Grants and Donations		311,712	615,171	-	926,883	4,329,640
Support costs		336,846	5,106	36,613	378,565	511,323
Nursery Operations		101,194	-	-	101,194	121,184
DFID		-	130,211	-	130,211	95,094
<b>Total</b>		<b>2,124,742</b>	<b>750,488</b>	<b>36,613</b>	<b>2,911,843</b>	<b>6,444,147</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>266,072</b>	<b>16,080</b>	<b>(36,613)</b>	<b>245,539</b>	<b>(820,516)</b>
<b>Transfers between funds</b>	14	<b>(23,814)</b>	<b>-</b>	<b>23,814</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>242,258</b>	<b>16,080</b>	<b>(12,799)</b>	<b>245,539</b>	<b>(820,516)</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<b>1,757,572</b>	<b>(34,944)</b>	<b>6,173,627</b>	<b>7,896,255</b>	<b>8,716,771</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,999,830</b>	<b>(18,864)</b>	<b>6,160,828</b>	<b>8,141,794</b>	<b>7,896,255</b>

The notes form part of these financial statements

**The Al-Khoei Benevolent Foundation**

**Balance Sheet**  
**31 August 2020**

	Notes	Unrestricted funds £	Restricted funds £	Endowment fund £	2020 Total funds £	2019 Total funds £
<b>FIXED ASSETS</b>						
Tangible assets	11	1,693,441	-	6,160,828	7,854,269	7,888,922
<b>CURRENT ASSETS</b>						
Debtors	12	152,878	32,408	-	185,286	193,082
Cash at bank and in hand		357,808	8,942	-	366,750	119,319
		<u>510,686</u>	<u>41,350</u>	<u>-</u>	<u>552,036</u>	<u>312,401</u>
<b>CREDITORS</b>						
Amounts falling due within one year	13	(204,297)	(60,214)	-	(264,511)	(305,068)
		<u>306,389</u>	<u>(18,864)</u>	<u>-</u>	<u>287,525</u>	<u>7,333</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>						
		<u>1,999,830</u>	<u>(18,864)</u>	<u>6,160,828</u>	<u>8,141,794</u>	<u>7,896,255</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>						
		<u>1,999,830</u>	<u>(18,864)</u>	<u>6,160,828</u>	<u>8,141,794</u>	<u>7,896,255</u>
<b>NET ASSETS</b>						
		<u>1,999,830</u>	<u>(18,864)</u>	<u>6,160,828</u>	<u>8,141,794</u>	<u>7,896,255</u>
<b>FUNDS</b>	14					
Unrestricted funds					1,999,830	1,757,572
Restricted funds					(18,864)	(34,944)
Endowment funds					6,160,828	6,173,627
<b>TOTAL FUNDS</b>					<u>8,141,794</u>	<u>7,896,255</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 29 June 2021 and were signed on its behalf by:



Mr S S Khoei - Trustee

**The Al-Khoei Benevolent Foundation**

**Cash Flow Statement**  
**for the Year Ended 31 August 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	281,806	(784,443)
Interest paid		-	(1)
Net cash provided by/(used in) operating activities		<u>281,806</u>	<u>(784,444)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(34,375)</u>	<u>(84,059)</u>
Net cash used in investing activities		<u>(34,375)</u>	<u>(84,059)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>247,431</u>	<u>(868,503)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>119,319</u>	<u>987,822</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>366,750</u></u>	<u><u>119,319</u></u>

The notes form part of these financial statements

**The Al-Khoei Benevolent Foundation**

**Notes to the Cash Flow Statement**  
**for the Year Ended 31 August 2020**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES	2020	2019
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	245,539	(820,516)
Adjustments for:		
Depreciation charges	69,028	68,340
Interest paid	-	1
Decrease/(increase) in debtors	7,796	(85,686)
(Decrease)/increase in creditors	(40,557)	53,418
Net cash provided by/(used in) operations	<u>281,806</u>	<u>(784,443)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS	At 1/9/19	Cash flow	At 31/8/20
	£	£	£
Net cash			
Cash at bank and in hand	119,319	247,431	366,750
	<u>119,319</u>	<u>247,431</u>	<u>366,750</u>
<b>Total</b>	<u>119,319</u>	<u>247,431</u>	<u>366,750</u>

The notes form part of these financial statements

## The Al-Khoei Benevolent Foundation

### Notes to the Financial Statements for the Year Ended 31 August 2020

#### 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.

##### **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.

##### **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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

##### **Charitable activities**

Charitable activities cost comprises all the operating expenses for its charitable activities like School, Nursery, DFID and general disbursements of grants and donations.

Grants and donations represent donation paid out in accordance with the Charity's objectives.

DFID is a research project which Al-Khoei is engaged in by Institute of Development Studies to gather information and carry out research work on shia muslim minorities in various countries around the world.

School and nursery costs represent the total direct costs for running and maintaining both the schools and nursery.

##### **Allocation and apportionment of costs**

Support cost include administrative cost relates to the foundation and have been allocated to activity cost categories on a basis consistent with the use of resources.

##### **Intangible assets**

Intangible assets are stated at initial cost less any permanent impairments.

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Freehold properties in London	Cost of building over 50 years
Freehold properties in Swansea	Cost of building over 25 years
Freehold property in Manchester	Cost of building over 15 years
School Equipment	20% on cost
Fixtures and fittings	15% on cost
Office equipment	20% on cost

##### **Fund accounting**

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objectives.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Endowment fund represents the properties held by the charity and depreciation relating to the property are charged against the fund.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

##### **Government grants**

Grants are accounted for under the accruals model permitted by FRS 102. Grants of revenue nature are recognised in the Statement of Financial Activities in the same period as the related expenditure. Any accrued elements of grants is included in debtors as accrued income.

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2020**

**1. ACCOUNTING POLICIES - continued**

**Going concern**

Trustees believe that the charity's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the charity's needs. Trustees have considered the impact of Covid19 as well as operational and financial factors for a period of twelve months from the date of approval of the financial statements.

For the above reason, the trustees continue to adopt the going concern basis in preparing these financial statements.

**2. DONATIONS AND LEGACIES**

	<b>2020</b>	<b>2019</b>
	£	£
Donations and Religious dues	1,176,999	3,765,446
Gift aid	20,594	19,050
	<u>1,197,593</u>	<u>3,784,496</u>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Activity</b>	<b>2020</b>	<b>2019</b>
		£	£
School & Nursery Fee Income	Schools operations	1,240,013	1,408,234
School Other Income	Schools operations	83,543	130,160
School & Nursery Fee Income	Nursery Operations	203,957	202,149
Grant - DFID	DFID	140,487	98,346
		<u>1,668,000</u>	<u>1,838,889</u>

**4. CHARITABLE ACTIVITIES COSTS**

	<b>Direct Costs</b>	<b>Grant funding of activities (see note 5)</b>	<b>Support costs (see note 6)</b>	<b>Totals</b>
	£	£	£	£
Schools operations	1,374,990	-	-	1,374,990
Grants and Donations	-	926,883	-	926,883
Support costs	70,329	-	308,236	378,565
Nursery Operations	101,194	-	-	101,194
DFID	130,211	-	-	130,211
	<u>1,676,724</u>	<u>926,883</u>	<u>308,236</u>	<u>2,911,843</u>

**5. GRANTS PAYABLE**

	<b>2020</b>	<b>2019</b>
	£	£
Grants and Donations	926,883	4,329,640

The total grants paid to institutions during the year was as follows:

	<b>2020</b>	<b>2019</b>
	£	£
Grants and donations	879,785	4,246,315

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2020**

**6. SUPPORT COSTS**

	<b>Management</b>	<b>Finance</b>	<b>Other</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Support costs	<u>257,460</u>	<u>(12,835)</u>	<u>63,611</u>	<u>308,236</u>

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

**Management**

	<b>2020</b>	<b>2019</b>
	<b>Support costs</b>	<b>Total activities</b>
	<b>£</b>	<b>£</b>
Wages & salaries - Foundation	156,692	181,162
Rates and water	3,191	2,951
Light and heat	3,201	1,162
Telephone	269	336
Postage and stationery	223	76
Travelling	2,250	3,921
Sundries	766	2,569
Accountancy fees	22,440	11,115
Publication expenses	-	39,219
Repairs & Maintenance	1,602	8,791
Subscriptions	1,893	4,886
Subsistence	585	1,253
Advertising	4,860	10,000
Book keeping fees	15,000	15,000
Legal & professional fees	41,448	(2,235)
Bad debt	1,500	5,400
Prison visit	242	40
Cleaning	1,298	-
Bank interest	-	1
	<u>257,460</u>	<u>285,647</u>

**Finance**

	<b>2020</b>	<b>2019</b>
	<b>Support costs</b>	<b>Total activities</b>
	<b>£</b>	<b>£</b>
Bank charges	1,487	2,796
Foreign exchange loss/(gains)	(14,322)	16,148
	<u>(12,835)</u>	<u>18,944</u>

**Other**

	<b>2020</b>	<b>2019</b>
	<b>Support costs</b>	<b>Total activities</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	<u>63,611</u>	<u>67,643</u>

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2020 nor for the year ended 31 August 2019.

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2020**

**8. STAFF COSTS**

The total Wages and salaries for the year was as follows

	31/08/20	31/08/19
	£	£
Mosque	12,834	27,798
School	1,123,868	1,137,719
Nursery	88,830	104,294
Foundation	210,447	204,033
Arabic Weekend School	-	229
	<u>1,435,979</u>	<u>1,474,073</u>

The average number of employees during the year was as follows

	31/08/20	31/08/19
Mosque	2	4
School	69	60
Nursery	10	14
Foundation	16	16
	<u>97</u>	<u>94</u>

There were 6 average number of volunteers during the year.

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

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Endowment fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and legacies	1,909,614	1,874,882	-	3,784,496
<b>Charitable activities</b>				
Schools operations	1,538,394	-	-	1,538,394
Nursery Operations	202,149	-	-	202,149
DFID	-	98,346	-	98,346
Other income	246	-	-	246
<b>Total</b>	<u>3,650,403</u>	<u>1,973,228</u>	<u>-</u>	<u>5,623,631</u>
<b>EXPENDITURE ON</b>				
<b>Charitable activities</b>				
Schools operations	1,386,906	-	-	1,386,906
Grants and Donations	2,555,938	1,773,702	-	4,329,640
Support costs	313,461	162,070	35,792	511,323
Nursery Operations	121,184	-	-	121,184
DFID	-	95,094	-	95,094
<b>Total</b>	<u>4,377,489</u>	<u>2,030,866</u>	<u>35,792</u>	<u>6,444,147</u>
<b>NET INCOME/(EXPENDITURE)</b>	<u>(727,086)</u>	<u>(57,638)</u>	<u>(35,792)</u>	<u>(820,516)</u>
<b>Transfers between funds</b>	<u>112,705</u>	<u>(167,305)</u>	<u>54,600</u>	<u>-</u>
<b>Net movement in funds</b>	<u>(614,381)</u>	<u>(224,943)</u>	<u>18,808</u>	<u>(820,516)</u>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<u>2,371,953</u>	<u>189,999</u>	<u>6,154,819</u>	<u>8,716,771</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>1,757,572</u></u>	<u><u>(34,944)</u></u>	<u><u>6,173,627</u></u>	<u><u>7,896,255</u></u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2020**

**10. INTANGIBLE FIXED ASSETS**

	<b>Trademarks</b>
	<b>£</b>
<b>COST</b>	
At 1 September 2019 and 31 August 2020	3,450
<b>AMORTISATION</b>	
At 1 September 2019 and 31 August 2020	3,450
<b>NET BOOK VALUE</b>	
At 31 August 2020	-
At 31 August 2019	-

**11. TANGIBLE FIXED ASSETS**

	<b>Freehold properties £</b>	<b>School Equipments £</b>	<b>Fixtures and fittings £</b>	<b>Office equipment £</b>	<b>Totals £</b>
<b>COST</b>					
At 1 September 2019	8,581,959	284,122	292,477	502,535	9,661,093
Additions	23,815	-	1,935	8,625	34,375
At 31 August 2020	8,605,774	284,122	294,412	511,160	9,695,468
<b>DEPRECIATION</b>					
At 1 September 2019	751,119	283,432	269,033	468,587	1,772,171
Charge for year	48,711	230	5,187	14,900	69,028
At 31 August 2020	799,830	283,662	274,220	483,487	1,841,199
<b>NET BOOK VALUE</b>					
At 31 August 2020	7,805,944	460	20,192	27,673	7,854,269
At 31 August 2019	7,830,840	690	23,444	33,948	7,888,922

Included above in total net book value is cost of land amounting to £6,375,559.

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade debtors	47,460	41,580
Other debtors	33,149	46,349
Inter-funds temporary balances	60,214	63,126
Prepayments	12,055	23,388
Accrued income	32,408	18,639
	<u>185,286</u>	<u>193,082</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	77,052	84,951
Social security and other taxes	17,286	21,203
Other creditors	13,804	3,568
Nursery deposits	6,200	8,400
Inter-funds temporary balances	60,214	63,126
Deferred income	67,755	101,620
Accrued expenses	22,200	22,200
	<u>264,511</u>	<u>305,068</u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2020**

**14. MOVEMENT IN FUNDS**

	<b>At 1/9/19</b>	<b>Net</b>	<b>Transfers</b>	<b>At</b>
	<b>£</b>	<b>movement</b>	<b>between</b>	<b>31/8/20</b>
		<b>in funds</b>	<b>funds</b>	<b>£</b>
		<b>£</b>	<b>£</b>	
<b>Unrestricted funds</b>				
General Fund	1,757,572	108,435	(23,814)	1,842,193
Khums Sehem Imam	-	157,637	-	157,637
	<u>1,757,572</u>	<u>266,072</u>	<u>(23,814)</u>	<u>1,999,830</u>
<b>Restricted funds</b>				
Al-Kawthar/Orphans & Widows	(37,563)	5,804	-	(31,759)
DFID Fund	2,619	10,276	-	12,895
	<u>(34,944)</u>	<u>16,080</u>	<u>-</u>	<u>(18,864)</u>
<b>Endowment funds</b>				
Endowment Fund	6,173,627	(36,613)	23,814	6,160,828
<b>TOTAL FUNDS</b>	<u><u>7,896,255</u></u>	<u><u>245,539</u></u>	<u><u>-</u></u>	<u><u>8,141,794</u></u>

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

	<b>Incoming</b>	<b>Resources</b>	<b>Movement</b>
	<b>resources</b>	<b>expended</b>	<b>in funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General Fund	2,006,129	(1,897,694)	108,435
Khums Sehem Imam	384,685	(227,048)	157,637
	<u>2,390,814</u>	<u>(2,124,742)</u>	<u>266,072</u>
<b>Restricted funds</b>			
Khums Sehem Sadaat	384,675	(384,675)	-
Al-Kawthar/Orphans & Widows	241,406	(235,602)	5,804
DFID Fund	140,487	(130,211)	10,276
	<u>766,568</u>	<u>(750,488)</u>	<u>16,080</u>
<b>Endowment funds</b>			
Endowment Fund	-	(36,613)	(36,613)
<b>TOTAL FUNDS</b>	<u><u>3,157,382</u></u>	<u><u>(2,911,843)</u></u>	<u><u>245,539</u></u>

**Comparatives for movement in funds**

	<b>At 1/9/18</b>	<b>Net</b>	<b>Transfers</b>	<b>At</b>
	<b>£</b>	<b>movement</b>	<b>between</b>	<b>31/8/19</b>
		<b>in funds</b>	<b>funds</b>	<b>£</b>
		<b>£</b>	<b>£</b>	
<b>Unrestricted funds</b>				
General Fund	2,239,361	(594,494)	112,705	1,757,572
Khums Sehem Imam	132,592	(132,592)	-	-
	<u>2,371,953</u>	<u>(727,086)</u>	<u>112,705</u>	<u>1,757,572</u>
<b>Restricted funds</b>				
Govet Prevent Funds	48,388	-	(48,388)	-
Shaheed fund	132,467	(13,550)	(118,917)	-
Al-Kawthar/Orphans & Widows	9,144	(46,707)	-	(37,563)
DFID Fund	-	2,619	-	2,619
	<u>189,999</u>	<u>(57,638)</u>	<u>(167,305)</u>	<u>(34,944)</u>
<b>Endowment funds</b>				
Endowment Fund	6,154,819	(35,792)	54,600	6,173,627
<b>TOTAL FUNDS</b>	<u><u>8,716,771</u></u>	<u><u>(820,516)</u></u>	<u><u>-</u></u>	<u><u>7,896,255</u></u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2020**

**14. MOVEMENT IN FUNDS - continued**

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

	<b>Incoming resources</b>	<b>Resources expended</b>	<b>Movement in funds</b>
	£	£	£
<b>Unrestricted funds</b>			
General Fund	2,269,092	(2,863,586)	(594,494)
Khums Sehem Imam	1,381,311	(1,513,903)	(132,592)
	<u>3,650,403</u>	<u>(4,377,489)</u>	<u>(727,086)</u>
<b>Restricted funds</b>			
Khums Sehem Sadaat	1,632,661	(1,632,661)	-
Shaheed fund	-	(13,550)	(13,550)
Al-Kawthar/Orphans & Widows	242,222	(288,929)	(46,707)
DFID Fund	98,345	(95,726)	2,619
	<u>1,973,228</u>	<u>(2,030,866)</u>	<u>(57,638)</u>
<b>Endowment funds</b>			
Endowment Fund	-	(35,792)	(35,792)
	<u>-</u>	<u>(35,792)</u>	<u>(35,792)</u>
<b>TOTAL FUNDS</b>	<u><u>5,623,631</u></u>	<u><u>(6,444,147)</u></u>	<u><u>(820,516)</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	<b>At 1/9/18</b>	<b>Net movement in funds</b>	<b>Transfers between funds</b>	<b>At 31/8/20</b>
	£	£	£	£
<b>Unrestricted funds</b>				
General Fund	2,239,361	(486,059)	88,891	1,842,193
Khums Sehem Imam	132,592	25,045	-	157,637
	<u>2,371,953</u>	<u>(461,014)</u>	<u>88,891</u>	<u>1,999,830</u>
<b>Restricted funds</b>				
Govet Prevent Funds	48,388	-	(48,388)	-
Shaheed fund	132,467	(13,550)	(118,917)	-
Al-Kawthar/Orphans & Widows	9,144	(40,903)	-	(31,759)
DFID Fund	-	12,895	-	12,895
	<u>189,999</u>	<u>(41,558)</u>	<u>(167,305)</u>	<u>(18,864)</u>
<b>Endowment funds</b>				
Endowment Fund	6,154,819	(72,405)	78,414	6,160,828
	<u>6,154,819</u>	<u>(72,405)</u>	<u>78,414</u>	<u>6,160,828</u>
<b>TOTAL FUNDS</b>	<u><u>8,716,771</u></u>	<u><u>(574,977)</u></u>	<u><u>-</u></u>	<u><u>8,141,794</u></u>

**The Al-Khoei Benevolent Foundation**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 August 2020**

**14. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>			
General Fund	4,275,221	(4,761,280)	(486,059)
Khums Sehem Imam	1,765,996	(1,740,951)	25,045
	<u>6,041,217</u>	<u>(6,502,231)</u>	<u>(461,014)</u>
<b>Restricted funds</b>			
Khums Sehem Sadaat	2,017,336	(2,017,336)	-
Shaheed fund	-	(13,550)	(13,550)
Al-Kawthar/Orphans & Widows	483,628	(524,531)	(40,903)
DFID Fund	238,832	(225,937)	12,895
	<u>2,739,796</u>	<u>(2,781,354)</u>	<u>(41,558)</u>
<b>Endowment funds</b>			
Endowment Fund	-	(72,405)	(72,405)
	<u>8,781,013</u>	<u>(9,355,990)</u>	<u>(574,977)</u>

The endowment fund represents net book value of the freehold properties endowed to the charity.

The Unrestricted funds are the receipts and expenditure of the charity for its objectives without specific restriction on its use. It is represented by the charities net current and its other tangible assets.

The Restricted funds are specific funds for specific purposes. The balance is represented by net relevant current assets and its other tangible assets..

**15. EMPLOYEE BENEFIT OBLIGATIONS**

The charity operates a defined contribution pension scheme. The charity contributed in pension £15,704 (2019: £21,826) during the year.

**16. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 August 2020.

**The Al-Khoei Benevolent Foundation**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 August 2020**

	2020	2019
	£	£
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Donations and Religious dues	1,176,999	3,765,446
Gift aid	20,594	19,050
	<hr/>	<hr/>
	1,197,593	3,784,496
<b>Charitable activities</b>		
School & Nursery Fee Income	1,443,970	1,610,383
School Other Income	83,543	130,160
Grant - DFID	140,487	98,346
	<hr/>	<hr/>
	1,668,000	1,838,889
<b>Other income</b>		
Other income	291,789	246
	<hr/>	<hr/>
<b>Total incoming resources</b>	3,157,382	5,623,631
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Misc school expenses	37,883	48,426
Printing postage & stationery	13,072	19,998
Light and heat	35,269	48,460
Transport and travel	184	2,225
Telephone	6,311	7,619
Rates	25,532	22,249
Repairs & Maintenance	11,972	18,406
Legal & Professional	8,125	14,289
Wages & salaries - School	1,123,868	1,137,719
Bank charges and interest	2,016	-
Depreciation	5,417	697
Cleaning	9,769	10,077
Insurance	26,080	25,774
Staff Training	22,334	15,749
Misc nursery expenses	12,163	16,890
Wages & Salaries - Nursery	88,830	104,294
Subscription	10,045	7,863
School meal - expenses	21,395	35,376
Saturday school expenses	38,554	51,194
Wages and salaries - DFID	66,890	50,669
Travelling - DFID	10,821	12,161
Legal & prof. fees - DFID	52,500	32,264
Swansea Mosque expenses	5,655	7,087
Sermon food	42,039	52,787
Donations to institutions	879,785	4,246,315
Donation payments	47,098	83,325
	<hr/>	<hr/>
	2,603,607	6,071,913
<b>Support costs</b>		
<b>Management</b>		
Wages & salaries - Foundation	156,692	181,162
Rates and water	3,191	2,951
Light and heat	3,201	1,162
Telephone	269	336
Postage and stationery	223	76
Travelling	2,250	3,921
Sundries	766	2,569
Accountancy fees	22,440	11,115
Carried forward	189,032	203,292

This page does not form part of the statutory financial statements

**The Al-Khoei Benevolent Foundation**

**Detailed Statement of Financial Activities**  
**for the Year Ended 31 August 2020**

	2020	2019
	£	£
<b>Management</b>		
Brought forward	189,032	203,292
Publication expenses	-	39,219
Repairs & Maintenance	1,602	8,791
Subscriptions	1,893	4,886
Subsistence	585	1,253
Advertising	4,860	10,000
Book keeping fees	15,000	15,000
Legal & professional fees	41,448	(2,235)
Bad debt	1,500	5,400
Prison visit	242	40
Cleaning	1,298	-
Bank interest	-	1
	<u>257,460</u>	<u>285,647</u>
<b>Finance</b>		
Bank charges	1,487	2,796
Foreign exchange loss/(gains)	(14,322)	16,148
	<u>(12,835)</u>	<u>18,944</u>
<b>Other</b>		
Depreciation of tangible fixed assets	63,611	67,643
Total resources expended	<u>2,911,843</u>	<u>6,444,147</u>
Net income/(expenditure)	<u>245,539</u>	<u>(820,516)</u>

This page does not form part of the statutory financial statements