

KHOJA SHIA ITHNA-ASHERI MUSLIM COMMUNITY OF METRO LEEDS

Annual Reports and Financial Statements

For the Year Ended 31st March 2024

KHOJA SHIA ITHNA-ASHERI MUSLIM COMMUNITY OF METRO LEEDS

Contents

	Page
Trustees' Report	1
Statement of Trustees' responsibilities	2
Accountants' report	3-4
Statement of Financial Activities	5
Balance sheet	6
Notes to the accounts	7-10

KHOJA SHIA ITHNA-ASHERI MUSLIM COMMUNITY OF METRO LEEDS
The report of the trustees for the year ended 31 March 2024

Introduction

The trustees present their annual report and accounts for the year ending 31st March 2024.

The board of trustees are satisfied with the performance of the charity during the year and the position at **31st March 2024** and consider that the charity is in a strong position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations.

Name, registered office and constitution of the charity

Date of formation	15/02/1984
The Principal Office is	166 Shadwell Lane, Leeds, LS17 8AD.
Charity Registration Number	514781
Email	info@baabulilm.co.uk

A summary of the objects of the charity as set out in its governing document.

To promote the advancement of religion in accordance with the doctrines of the Khoja Shia Ithna-Asheri muslim faith, as well as providing education and leisure activities, in the interest of social welfare to members of the Khoja Shia Ithna-Asheri muslim.

Public benefit that is provided by the charity

We have referred to the guidance contained in the Charity commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

Structure, Governance and Management

Board of Trustees

The property of the community shall be held in the name of four individuals as trustees who shall administer the same in all respect in accordance with the directions of the managing committee. Members of Board of Trustees are: -

Mr. Rashid Bhamani
Mr. Sameer Patel
Mr. Rasool Bhamani
Dr. Salim Meghjee

Management committee

The affairs of the community shall be administered by a managing committee which includes: -

Mr. Rasool Bhamani - President
Mr. Sameer Patel Hon - Secretary
Mr. Rashid Bhamani - Treasurer
Mr. Salim Meghjee – Committee Member
Mr. Mohammad Raza Bhamani – Committee Member
Mrs. Fatim Patel - Committee Member
Mrs. Maliha Fazal - Committee Member

Independent Examiner

Ishfaq Shah (AFA MIPA)
Lyel Accountants
Annexe G, Oaktree House,
408 Oakwood Lane, Leeds
LS8 3LG

KHOJA SHIA ITHNA-ASHERI MUSLIM COMMUNITY OF METRO LEEDS
The report of the trustees for the year ended 31 March 2024

Statement of Trustees' Responsibilities

The Charities Act requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to:-

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

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act. 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 trustees are also responsible for the contents of the trustees' report and the responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that, on the face of the report there are no inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on _____.

Mr. Rasool Bhamani
President

KHOJA SHIA ITHNA-ASHERI MUSLIM COMMUNITY OF METRO LEEDS

Report of the Independent Examiner to the trustees on the accounts of the Charity for the year ended 31 March 2024

I report on the financial statements of the Charity on pages 7 to 12 for the year ended 31 March 2024 which have been prepared in accordance with the Charities Act 2011 and with the Financial Reporting Standard for Smaller Entities (FRSSE), effective April 2008, adapted to meet the needs of unincorporated organisations, as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity commissioners for England & Wales, effective April 2005 as revised in June 2008. (The SORP), under the historical cost convention and the accounting policies set out on page 12.

Respective responsibilities of trustees and examiner

As described on page 2, the Charity's trustees are responsible for the preparation of the financial statements. The trustees are satisfied that the audit requirement of Section 144 (1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the governing document or constitution of the Charity for the conducting of an audit. Consequently, the trustees have elected that the financial statements be subject to independent examination.

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

- a) examine the accounts under section 145 of the Charities Act;
- b) to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and;
- c) to state whether particular matters have come to my attention.

Basis of opinion and scope of work undertaken

I conducted my examination in accordance with the General Directions given by the Charity Commissioners for England & Wales in relation to the conducting of an independent examination, referred to above. An independent examination includes a review of the accounting records kept by the Charity and of the accounting systems employed by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements and seeking explanations from you as trustees concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of the Charities legislation and that the financial statements comply with the SORP, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the trustees in the course of the examination is not subjected to audit tests or enquiries, and consequently I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalizing the report, I obtain written assurances from the trustees of all material matters.

KHOJA SHIA ITHNA-ASHERI MUSLIM COMMUNITY OF METRO LEEDS
Independent Examiner's Statement, report and opinion - Continued

Subject to the limitations upon the scope of my work as detailed above, in connection with my examination, I can confirm that this is a report in respect of an examination carried out under section 145 of the Act and in accordance with any directions given by the Commission under subsection (5)(b) of that section which are applicable;

and that, no matter has come to my attention in connection with my examination which gives me reasonable cause to believe that in any material respect the requirements

(i) to keep accounting records in accordance with section 130 of the Act;

(ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the Act and;

(iii) that the financial statements be prepared in accordance with the methods and principles set out in the Statement of Recommended Practice - Accounting and Reporting by Charities

have not been met; or

to which, in my opinion, attention should be drawn in my report in order to enable a proper understanding of the accounts to be reached;

Independent examiner

Ishfaq Shah (AFA MIPA)
Lyel Accountants
Annexe G, Oaktree House, 408
Oakwood Lane, Leeds
LS8 3LG

The date upon which my opinion is expressed is _____

KHOJA SHIA ITHNA-ASHERI MUSLIM COMMUNITY OF METRO LEEDS

Statement of Financial Activities

for the year ended 31 March 2024

	Notes	Unrestricted Funds	Restricted Funds	Total Funds	Last Year Total Funds
		2024	2024	2024	2023
		£	£	£	£
Income and Endowments from:					
Charitable activities	12	140,027	-	140,027	104,538
Investment income	12	8,440	-	8,440	9,324
Total income		148,467	-	148,467	113,862
Expenditure on:					
Charitable activities	13	82,757	-	82,757	57,291
Investment expenses		456	-	456	2,747
Governance cost	13	1,000	-	1,000	1,000
Total expenditure		84,213	-	84,213	61,038
Net incoming resources before transfers between funds		64,254	-	64,254	52,824
Gross transfers between funds		-	-	-	-
Net incoming resources before other recognised gains and losses		64,254	-	64,254	52,824
Other recognised gains and losses		-	-	-	-
Net movement in funds		64,254	-	64,254	52,824
Reconciliation of funds					
Total funds brought forward		396,935	1,096,149	1,493,084	1,440,260
Total Funds carried forward	11	461,189	1,096,149	1,557,338	1,493,084

The net movement in funds referred to above is the net incoming resources as defined in the SORP and is reconciled to the total funds as shown in the Balance Sheet on page 9 as required by the SORP.

All activities derive from continuing operations.

The notes on pages 7 to 10 form an integral part of these accounts.

KHOJA SHIA ITHNA-ASHERI MUSLIM COMMUNITY OF METRO LEEDS
Balance Sheet as at 31 March 2024

	Notes	2024 £	2023 £
Fixed assets			
Tangible assets	8	<u>1,556,131</u>	<u>1,538,741</u>
Total fixed assets		1,556,131	1,538,741
Current assets			
Debtors		-	456
Cash at bank and in hand		94,924	69,734
amounts due within one year	9	<u>(6,500)</u>	<u>(3,630)</u>
Net current assets		88,424	66,560
Total assets less current liabilities		<u>1,644,555</u>	<u>1,605,301</u>
Creditors:			
amounts due after more than one year	10	(87,217)	(112,217)
Net Assets		<u>1,557,338</u>	<u>1,493,084</u>
Funds of the Charity:			
Unrestricted funds		461,189	396,935
Restricted funds		<u>1,096,149</u>	<u>1,096,149</u>
Total Funds	11	<u>1,557,338</u>	<u>1,493,084</u>

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Mr. Rasool Bhamani
President

Approved by the board of trustees on _____

The notes on pages 7 to 10 form an integral part of these accounts.

1 Accounting policies

Basis of preparation of the accounts

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE), effective April 2008, and all other applicable accounting standards, as modified by the Statement of Recommended

Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, (revised June 2008) (The SORP) adapted to meet the needs of unincorporated organisations. The accounts have been drawn up in accordance with the provisions of the Charities (Accounts and Reports) Regulations 2008 Acts and include the results of the charity's operations which are described in the Trustees' Report, all of which are continuing. Insofar as the SORP requires compliance with specific Financial Reporting Standards other than the FRSSE then the specific Financial Reporting Standards have been followed where their requirements differ from those of the FRSSE.

Accounting Convention

The financial statements are prepared, on a going concern basis, under the historical cost convention as modified by the revaluation of freehold land and buildings and fixed asset investments.

Expenditure

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

Charitable activities

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

Taxation

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

Tangible fixed assets

Individual fixed assets costing £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Freehold charitable and investment property, land and buildings, are revalued every year to open market value using an independent professional valuer.

Depreciation and amortisation

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

Land and Buildings - Not depreciated.

Plant and Machinery - 25% Reducing balance method.

Trade debtors

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

Cash and cash equivalents

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

Recognition of liabilities

Liabilities are recognized on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the

2 Expenses paid to trustees or connected persons.

No expenses were paid to trustees or persons connected with them.

3 Trustees' Remuneration

Neither the trustees nor any persons connected with them have received any remuneration, either in the current year or the prior year.

4 Adjustment for grant income

The Qarz-ul-Hasana received in previous years is reallocated from balance sheet to income account over the years.

5 Taxation

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

6 Staff costs

The aggregate payroll costs were as follows:

	2024	2023
	£	£
Staff costs during the year were:		
Wages and salaries	13,875	9,750
Employer's National Insurance	752	518
	<hr/> 14,627	<hr/> 10,268
No. of employees	<hr/> 1	<hr/> 1

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

7 Net incoming/outgoing resources

Net incoming/outgoing resources for the year include:

	2024	2023
	£	£
Depreciation of fixed assets	3,610	4,812

KHOJA SHIA ITHNA-ASHERI MUSLIM COMMUNITY OF METRO LEEDS
Notes to the Accounts for the year ended 31 March 2024 - Continued

8 Tangible functional fixed assets

	Freehold Land and Buildings £	Plant, Machinery & Vehicles £	Total £
Asset cost, valuation, or revalued amount			
At 1 April 2023	1,524,303	49,915	1,574,218
Additions	-	-	-
Improvements	21,000	-	21,000
At 31 March 2024	1,545,303	49,915	1,595,218
Accumulated depreciation and impairment provisions			
At 1 April 2023	-	35,477	35,477
Depreciation on revaluation	-	-	-
Charge for the year	-	3,610	3,610
At 31 March 2024	-	39,087	39,087
Net book value			
At 31 March 2024	1,545,303	10,828	1,556,131
At 31 March 2023	1,524,303	14,438	1,538,741

9 Creditors: amounts falling due within one year

	2024 £	2023 £
PAYE	2,339	998
Net Wages	2,611	1,082
Accrued expenses	1,550	1,550
	6,500	3,630

10 Creditors: Amounts Falling due after one year

	2024 £	2023 £
Other Creditors (Qarz-e-Hasna)	87,217	112,217

11 Funds Reconciliation

	Balance at 1st April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
Unrestricted funds	396,935	148,467	(84,213)	461,189
Restricted funds	1,096,149	-	-	1,096,149
Total funds	1,493,084	148,467	(84,213)	1,557,338

KHOJA SHIA ITHNA-ASHERI MUSLIM COMMUNITY OF METRO LEEDS
Notes to the Accounts for the year ended 31 March 2024 - Continued

12 Detailed of incoming resources

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and Endowments from				
<i>Charitable activities</i>				
Donations	66,473	-	66,473	43,205
Other income	28,182	-	28,182	-
Grant received	35,000	-	35,000	51,466
Gift Aid tax reclaimed	10,372	-	10,372	9,867
	140,027	-	140,027	104,538
<i>Investment income</i>				
Income from investment properties	8,390	-	8,390	9,299
Interest income	50	-	50	25
Total income	148,467	-	148,467	113,862

13 Detailed of resources expended.

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Expenditure on				
Events	17,087	-	17,087	8,418
Hadiya	7,946	-	7,946	11,097
Educational activities	2,485	-	2,485	3,965
Website cost and advertising	478	-	478	752
Staff salaries	13,875	-	13,875	9,750
Employer NI	752	-	752	518
Rent & Rates	2,322	-	2,322	-
Light and heat	5,275	-	5,275	4,120
Repairs and maintenance	8,748	-	8,748	8,152
Telephone and internet	523	-	523	1,392
Subscription	559	-	559	415
Cleaning	1,090	-	1,090	314
Office Supplies	1,049	-	1,049	-
Insurance	2,205	-	2,205	2,671
Legal and professional	2,400	-	2,400	545
Bank Charges	-	-	-	370
Depreciation	3,610	-	3,610	4,812
	82,757	-	82,757	57,291
<i>Other expenditures</i>				
Expenses on Investment properties	456	-	456	2,747
Independent examination	1,000	-	1,000	1,000
Total Expenditures	84,213	-	84,213	61,038