

REGISTERED CHARITY NUMBER: 1149150

REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
AL-HIDAYAH FOUNDATION

Mibsons Limited
Chartered Certified Accountant
180 Birmingham Road
West Bromwich
West Midlands
B70 6QG

AL-HIDAYAH FOUNDATION
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FOR THE YEAR ENDED 31 DECEMBER 2021

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AL-HIDAYAH FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report with the financial statements of the charity for the year ended 31 December 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 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The key objectives of the charity are summarised as follows:

- To assist young people in the advancement of education by means of, but not exclusively, educational classes from secular to religious, language classes and activities for mainstream educational subjects
- To assist young people, especially, but not exclusively through leisure and recreational activities, so as to develop their physical, mental and spiritual capabilities enabling them to become role model citizens, delivering public benefit leading to the betterment of society.
- To support any other charitable purpose for the benefit of Muslims and the general public that the trustees from time to time may determine.

Current activities

In pursuing our objectives during the financial year ending 31st December 2021 the organisation was engaged in running the following activities:

1 Evening Religious Education Classes

Knowledge holds an important aspect in the religion of Islam. Children from the age of 4 and above attend the evening Madrasah Monday to Friday learning the basic principles of Islam (Quran, Masnoon duas, Fiqh, Aqaid, Aadab, Tareekh).

2 Further Religious Education Class

This class was initiated for those teenage boys & girls who have finished their primary Madrasah education but wish to enhance their understanding of Islam enabling them to become good Muslims and good citizens

3 Quran Classes for Adult

Those adults who are in full time employment who wish to learn how to recite the Holy Quran correctly. Classes run weekly consisting of 4 levels. Back to basic, to advanced.

4 Website

The prime objective of the website is to help people connected & up to date with our activities. Visitors can also subscribe to the mailing list to receive regular updates and educational bulletins

5 Publications

The charity publishes and distributes informative and inspirational literature in the English language through the means of:

- Bi-monthly magazine
- Leaflets (3 this year)

These cover topics which are pertinent to the audience, primarily the Muslim youth, pupils and parents of the madrasah.

AL-HIDAYAH FOUNDATION
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Al-Hidayah Foundation is registered with the Charity commission (Registration Number 1149150) and constituted by the deed of trust.

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 quarterly and are responsible for all decision taken in relating to running the organisation facilities and the activities provided by the charity

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1149150

Principal address

130-140 Walstead Road
Walsall
WS5 4LY

Trustees

Mr. Yunus Loonat
Mr. Ismail Bhayat
Mr. Ahmed Kalang

Independent examiner

Mibsons Limited
Chartered Certified Accountant
180 Birmingham Road
West Bromwich
West Midlands
B70 6QG

AL-HIDAYAH FOUNDATION

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2021

STATEMENT OF TRUSTEES'S RESPONSIBILITIES

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), .

In particular, charity law requires the Trustees, if they prepare accounts on an accruals basis, 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 Trustees are required to :-

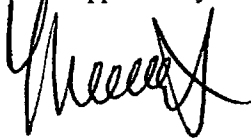
- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the 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 law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

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 2011. 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 statutory 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 material inconsistencies with the figures disclosed in the financial statements.

This report was approved by the board of trustees on 28 October 2022



Mr. Yunus Loonat
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
AL-HIDAYAH FOUNDATION

Independent examiner's report to the trustees of Al- Hidayah Foundation

I report to the charity trustees on my examination of the accounts of the Al-Hidayah Foundation for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.



M S Aswani - FCCA
Mibsons Limited
Chartered Certified Accountant
180 Birmingham Road
West Bromwich
West Midlands
B70 6QG

Date: 28 October 2022

AL-HIDAYAH FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds	Restricted funds	31/12/21 Total funds	31/12/20 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	53,936	-	53,936	23,853
Other trading activities	3	70,332	-	70,332	72,291
Investment income	4	7,060	-	7,060	7,560
Total		131,329	-	131,329	103,704
Closing stock movement		-60	-	-60	- 60
EXPENDITURE ON					
Raising funds	5	-	-	-	-
Support costs	6	76,764	-	76,764	78,912
NET INCOME		54,505	-	54,505	24,732
RECONCILIATION OF FUNDS					
Total funds brought forward		216,642	-	216,642	191,910
TOTAL FUNDS CARRIED FORWARD		271,147	-	271,147	216,642

The notes form part of these financial statements

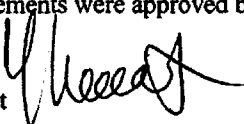
AL-HIDAYAH FOUNDATION

BALANCE SHEET
AT 31 DECEMBER 2021

		Unrestricted funds	Restricted funds	31/12/21 Total Funds	31/12/20 Total funds
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10	281,482	-	281,482	280,858
Investment property	11	-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
		281,482	-	281,482	280,858
CURRENT ASSETS					
Books stock		-	-	-	-
Debtors	12	2,404	-	2,404	9,337
Cash in transit		11,359	-	11,359	3,225
Cash at bank and in hand		54,841	-	54,841	30,230
		<hr/>	<hr/>	<hr/>	<hr/>
		68,603	-	68,603	42,792
CREDITORS					
Amounts falling due within one year	13	(78,879)	-	(78,879)	(107,008)
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT ASSETS		(10,275)	-	(10,275)	(64,216)
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		271,207	-	271,207	216,642
		<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS		271,207	-	271,207	216,642
		<hr/>	<hr/>	<hr/>	<hr/>
FUNDS	15				
Balance Brought forward		216,642	-	216,642	191,910
Unrestricted funds		54,505	-	54,505	24,732
Restricted funds		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS		271,147	-	271,147	216,642
		<hr/>	<hr/>	<hr/>	<hr/>

The financial statements were approved by the Board of Trustees on 28 October 2022 and were signed on its behalf by:

Mr. Yunus Loonat
Trustee



The notes form part of these financial statements

AL-HIDAYAH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 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 2015)', 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.

Tangible fixed assets

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

Fixtures and fittings	20% on straightline
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Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

AL-HIDAYAH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2 DONATIONS AND LEGACIES

	31/12/21	31/12/20
	£	£
Donations	21,678	23,853
Donations - Kard-e-Hasanah to Lillah	32,258	-
Donations - Construction	-	-
	<u>53,936</u>	<u>23,853</u>

3 OTHER TRADING ACTIVITIES

	31/12/21	31/12/20
	£	£
Tuition Fee	58,085	64,880
Sales	9,723	5,707
Gift Aid Tax reclaimed	2,524	1,704
	<u>70,332</u>	<u>72,291</u>

4 INVESTMENT INCOME

	31/12/21	31/12/20
	£	£
Rental Income	7,060	7,560
	<u>7,060</u>	<u>7,560</u>

5 RAISING FUNDS

Raising donations and legacies

	31/12/21	31/12/20
	£	£
Event Costs	-	-
	<u>-</u>	<u>-</u>

6 SUPPORT COSTS

	31/12/21	31/12/20
	£	£
Management costs	76,608	78,912
Other costs	156	-
	<u>76,764</u>	<u>78,912</u>

AL-HIDAYAH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7 TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

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

8 STAFF COSTS

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

	31/12/21	31/12/20
	£	£
Management	<u>13</u>	<u>14</u>

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

9 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Total funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	53,936
Other trading activities	70,332
Investment income	7,060
Total	<u>131,329</u>
EXPENDITURE ON	
Raising funds	76,764
Total	<u>76,764</u>
NET INCOME	<u>54,565</u>
RECONCILIATION OF FUNDS	
Total funds brought forward	216,642
TOTAL FUNDS CARRIED FORWARD	<u><u>271,207</u></u>

AL-HIDAYAH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10 TANGIBLE FIXED ASSETS

	Freehold property £	Improvement to Property £	Office Equipments £	Totals £
COST				
At 31 Dec 2020	275,452	5,406	628	281,486
Additions			780	780
At 31 Dec 2021	<u>275,452</u>	<u>5,406</u>	<u>1,408</u>	<u>282,266</u>
DEPRECIATIONS				
At 31 Dec 2020	-	-	628	628
Charge for year	-	-	156	156
At 31 Dec 2021	<u>-</u>	<u>-</u>	<u>784</u>	<u>784</u>
NET BOOK VALUE				
At 31 Dec 2021	<u>275,452</u>	<u>5,406</u>	<u>624.00</u>	<u>281,482</u>
At 31 Dec 2020	<u>275,452</u>	<u>5,406</u>	<u>-</u>	<u>280,858</u>

11 INVESTMENT PROPERTY

COST VALUE

At 31 Dec 2020 and 31 Dec 2021

-

NET BOOK VALUE

At 31 Dec 2021

-

At 31 Dec 2020

-

12 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/21 £	31/12/20 £
Trade Debtors	<u>2,404</u>	<u>9,337</u>

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/21 £	31/12/20 £
Loans (see note 14)	73,500	99,538
Trade creditors	600	600
Taxation and social security	263	291
Other creditors	4,516	6,579
	<u>78,879</u>	<u>107,008</u>

AL-HIDAYAH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14 LOANS

An analysis of the maturity of loans is given below:

	31/12/21 £	31/12/20 £
Amounts falling due within one year on demand:		
Interest Free Loans - Karze Hasana	<u>73,500</u>	<u>99,538</u>

15 MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	216,642	54,505	271,147
Restricted funds			
General fund	-	-	-
TOTAL FUNDS	<u>216,642</u>	<u>54,505</u>	<u>271,147</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	131,269	(76,764)	54,505
Restricted funds			
General fund	-	-	-
TOTAL FUNDS	<u>131,269</u>	<u>(76,764)</u>	<u>54,505</u>

Comparatives for movement in funds

	At 1.01.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	191,910	24,732	216,642
Restricted funds			
General fund	-	-	-
TOTAL FUNDS	<u>191,910</u>	<u>24,732.00</u>	<u>216,642</u>

AL-HIDAYAH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15 MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	103,704	(78,972)	24,732
Restricted funds			
General fund	-	-	-
TOTAL FUNDS	103,704	(78,972)	24,732

16 RELATED PARTY DISCLOSURES

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