

Charity registration number 1152441

**AL IHSAN TRUST SRI LANKA**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# AL IHSAN TRUST SRI LANKA

## LEGAL AND ADMINISTRATIVE INFORMATION

---

Board Of Trustees	Mr Nissther Annis Mr Jezri Mohideen Mr Mohamed Haris Zainulabdeen Mr Altaf Zahir Mr Ahamed Thabith Naja
Charity number	1152441
Principal address	5 Kensington Avenue Watford Hertfordshire United Kingdom WD18 7RZ
Independent examiner	Reddy Siddiqui LLP 183-189 The Vale Acton London United Kingdom W3 7RW

---

# AL IHSAN TRUST SRI LANKA

## CONTENTS

---

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 11

---

# AL IHSAN TRUST SRI LANKA

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 MARCH 2023

---

The board of trustees present their annual report and financial statements for the year ended 31 March 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts, the Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

#### **Objectives and activities**

The charity's objects are to advance education and to relieve sickness and financial hardship, and to promote and preserve good health by the provision of funds, goods or services of any kind to Sri Lanka.

The board of trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The activities of the charity during the year included raising donations for School kit distribution, Orphan sponsorship, Dry ration distribution, Hafiz Sponsorship, Religious sacrifice (qurbani), Medical distribution and Zakath distribution.

#### **Achievements and performance**

The charity was able to raise donations for the charitable causes it supports. The trustees consider the level of donations received to be in line with the expected levels for the year.

The charity has therefore been able to achieve its objectives including enriching Education, The Advancement of Healthcare, helping out the Disabled, The Prevention or Relief Of Poverty in the selected geographical locations the charity operates.

The charity was able to enhance education via multiple programs including school kit distribution for identified school kids in Sri Lanka via our partners.

The charity is continuing its successful program in along with its partner Orphans in Need in sponsoring for their education. This has enhanced the educational status of students in rural areas.

Hafiz sponsorship program was also carried out during the year, where sponsorships were provided students after screening in providing the necessary facilities for them to complete the Hafiz course.

#### The Advancement Of Health Or Saving Of Lives and Providing for the disabled

Medical distribution program was carried out via the partners in Sri Lanka to provide necessary medical equipment for identified medical facilities in Sri Lanka. Basic medical facilities including first aid kits were provided to communities with the aim of enhancing healthcare sector in Sri Lanka.

#### The Prevention Or Relief Of Poverty

Dry Ration distribution programs were held with the intention of aiding citizens struggling from the ongoing economic crisis in Sri Lanka. Dry Rations were distributed for over 1000 families in the course of the year.

During the month of Ramadan, Zakath distribution programme was carried out where Zakath eligible individuals and families were identified and aid was provided for such families in order with the aim of uplifting their living standards.

The Annual qurbani distribution program was held in the month of Dhul-Hajj which was able to identify rural areas and provide qurbani to families requiring such aid.

#### **Financial review**

# AL IHSAN TRUST SRI LANKA

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

---

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between one and three month's expenditure. The board of trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

No debts are held by the charity as at the period under review. The charity maintains a reserve policy which describes the circumstances in detail to which unrestricted funds of the trust can be used for.

No funds of the charity is held by a custodian trustee. All charity funds are in the bank account of the charity.

The board of trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

### **Structure, governance and management**

The charity was established by a charitable trust deed on 17 June 2013.

All Trustees are volunteers of the Trust. None of the trustees are selected to work as a trustee in the Trust.

The board of trustees who served during the year and up to the date of signature of the financial statements were:

Mr Nisssther Annis

Mr Jezri Mohideen

Mr Mohamed Haris Zainulabdeen

Mr Altaf Zahir

Mr Ahamed Thabith Naja

The Trustees' report was approved by the Board of Board Of Trustees.



Mr Ahamed Thabith Naja  
**Trustee**

27 February 2024

# AL IHSAN TRUST SRI LANKA

## INDEPENDENT EXAMINER'S REPORT

### TO THE BOARD OF TRUSTEES OF AL IHSAN TRUST SRI LANKA

---

I report to the board of trustees on my examination of the financial statements of Al Ihsan Trust Sri Lanka (the charity) for the year ended 31 March 2023.

#### **Responsibilities and basis of report**

As the board of trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I **understand** that this has been done in order for financial statements to provide a true and fair view in accordance with **Generally Accepted Accounting Practice** effective for reporting periods beginning on or after 1 January 2015.

I **have** completed my examination. I confirm that no 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 charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



**Reddy Siddiqui LLP**

183-189 The Vale  
Acton  
London  
W3 7RW  
United Kingdom

Dated: 27 February 2024

# AL IHSAN TRUST SRI LANKA

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
<b>Income from:</b>							
Donations and legacies	3	407	-	407	1,780	-	1,780
Charitable activities	4	-	185,673	185,673	-	121,134	121,134
<b>Total income</b>		<u>407</u>	<u>185,673</u>	<u>186,080</u>	<u>1,780</u>	<u>121,134</u>	<u>122,914</u>
<b>Expenditure on:</b>							
Raising funds	5	1,079	-	1,079	1,446	-	1,446
Charitable activities	6	-	125,743	125,743	-	128,218	128,218
Other expenditure	9	858	-	858	858	-	858
<b>Total expenditure</b>		<u>1,937</u>	<u>125,743</u>	<u>127,680</u>	<u>2,304</u>	<u>128,218</u>	<u>130,522</u>
<b>Net income/(expenditure) and movement in funds</b>		(1,530)	59,930	58,400	(524)	(7,084)	(7,608)
<b>Reconciliation of funds:</b>							
Fund balances at 1 April 2022		<u>1,951</u>	<u>14,632</u>	<u>16,583</u>	<u>2,475</u>	<u>21,716</u>	<u>24,191</u>
<b>Fund balances at 31 March 2023</b>		<u><u>421</u></u>	<u><u>74,562</u></u>	<u><u>74,983</u></u>	<u><u>1,951</u></u>	<u><u>14,632</u></u>	<u><u>16,583</u></u>

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

# AL IHSAN TRUST SRI LANKA

## BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Current assets</b>					
Cash at bank and in hand		75,841		17,441	
<b>Creditors: amounts falling due within one year</b>	<b>11</b>	<u>858</u>		<u>858</u>	
Net current assets			<u>74,983</u>		<u>16,583</u>
<b>The funds of the charity</b>					
Restricted income funds	<b>12</b>		74,562		14,632
Unrestricted funds			<u>421</u>		<u>1,951</u>
			<u>74,983</u>		<u>16,583</u>

The financial statements were approved by the board of trustees on 27 February 2024



Mr Ahamed Thabith Naja  
**Trustee**



# AL IHSAN TRUST SRI LANKA

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

---

### 1 Accounting policies

#### Charity information

Al Ihsan Trust Sri Lanka is a Charity based in England & Wales.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the board of trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the board of trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the board of trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# AL IHSAN TRUST SRI LANKA

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

---

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs relating 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.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.7 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the board of trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# AL IHSAN TRUST SRI LANKA

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

### 3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	407	1,780

### 4 Charitable activities

	Orphan sponsorship 2023 £	Qurbani and Zakath 2023 £	Food relief 2023 £	Water Pump, Education and Healthcare 2023 £	Total 2023 £	Total 2022 £
Charitable activities	45,354	21,813	79,474	39,032	185,673	121,134

### 5 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b>Fundraising and publicity</b>		
Seeking donations, grants and legacies	216	216
Membership schemes and social lotteries	156	219
Advertising	-	100
Other fundraising costs	147	411
Support costs	560	500
	1,079	1,446

# AL IHSAN TRUST SRI LANKA

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

### 6 Expenditure on charitable activities

	Orphan sponsorship	Qurbani and Zakaat	Food relief	Water pump, Education and Healthcare	Total
	2023 £	2023 £	2023 £	2023 £	2023 £
<b>Direct costs</b>					
Charitable expenditure	22,406	970	75,092	27,275	125,743
<b>Analysis by fund</b>					
Restricted funds	22,406	970	75,092	27,275	125,743
<b>Previous year:</b>					
	Orphan sponsorship	Qurbani and Zakath	Food relief	Water pump, Education and Healthcare	Total
	2022 £	2022 £	2022 £	2022 £	2022 £
<b>Direct costs</b>					
Charitable expenditure	40,125	16,580	47,715	23,798	128,218
<b>Analysis by fund</b>					
Restricted funds	40,125	16,580	47,715	23,798	128,218

### 7 Board Of Trustees

None of the board of trustees (or any persons connected with them) received any remuneration during the year.

### 8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

### 9 Other

	2023 £	2022 £
Other expenditure	858	858

# AL IHSAN TRUST SRI LANKA

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

### 9 Other (Continued)

### 10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

### 11 Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals and deferred income	858	858

### 12 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
	14,632	185,673	(125,743)	74,562
Previous year:	At 1 April 2021 £	Incoming resources £	Resources expended £	At 31 March 2022 £
	21,716	121,134	(128,218)	14,632

### 13 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	1,951	407	(1,937)	421
Previous year:	At 1 April 2021 £	Incoming resources £	Resources expended £	At 31 March 2022 £
General funds	2,475	1,780	(2,304)	1,951

# AL IHSAN TRUST SRI LANKA

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

### 14 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
<b>Fund balances at 31 March 2023 are represented by:</b>			
Current assets/(liabilities)	421	74,562	74,983
	<u>421</u>	<u>74,562</u>	<u>74,983</u>
	<u><u>421</u></u>	<u><u>74,562</u></u>	<u><u>74,983</u></u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
<b>Fund balances at 31 March 2022 are represented by:</b>			
Current assets/(liabilities)	1,951	14,632	16,583
	<u>1,951</u>	<u>14,632</u>	<u>16,583</u>
	<u><u>1,951</u></u>	<u><u>14,632</u></u>	<u><u>16,583</u></u>

### 15 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).