

SOCIAL WELFARE & EDUCATION TRUST

ACCOUNTS FOR THE YEAR ENDED

30 JUNE 2022

Charity No: 1137331

SOCIAL WELFARE & EDUCATION TRUST

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TRUSTEES AND PROFESSIONAL ADVISORS

TRUSTEES: Mr Zulfaqar Ali Yusaf
Mr Ahmed Ali
Mr Khalid Mahmood
Mohammad Tariq Rehman Malik

MAIN OFFICE: 38 & 40 Foxland Road
Gatley
Cheadle
SK8 4QB

BANKERS: Royal Bank of Scotland
Cheadle Hulme Branch
2 Station Road
Cheadle Hulme
Cheadle
SK8 5AE

ACCOUNTANTS: Ferguson & Co
Chartered Certified Accountants
651 Mauldeth Road West
Chorlton
Manchester
M21 7SA

The Trustees present their report and financial statements of the charity for the year ended 30 June 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and 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 published (FRS 102) (effective 1 January 2015).

STATUS

Social Welfare & Education Trust is a registered charity under the charity number 1137331. It has no taxable activities and is therefore not liable to UK taxation. It is, however, unable to reclaim VAT on expenditure incurred.

Trustees

The trustees of the charity, under the trust deed, are known as Board members with voting rights. They have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 9 to the accounts. The trustees undertake a skills audit to identify gaps in Board experiences and new trustees are appointed on a 3-year term to fill these gaps. There is an induction and training plan in place for all trustees to strengthen their role in strategic planning. Trustees are also able to access the organisational training plan and attend any that they feel would be beneficial to their role and/or understanding.

Recruitment and Appointment of Trustees

The Trustees of the charity are known as members of the Management Committee. Under the requirements of the deed, members of the Management Committee shall hold office until the end of Annual General Meeting next following their election appointment or co-option and shall be eligible for re-election or re-co-option.

Trustee Induction and Training

New trustees are recruited following all recruitment process and a successful induction.

All new trustees are given an induction when they start which gives them up to date information on our services, finances, funding streams, organisational policies and procedures, code of conduct and training on our quality assurance standards. Training is provided for the management committee on roles and responsibilities of a trustee and other relevant training identified to assist and support the work of the trustees.

Achievement & Performance

The centre provides the services of community and education centre in the Cheadle, Stockport. Facilities of the centre are open to the public between 7:30am to 9:00pm. all day. It caters for the after school children's madrassa and other community needs for the Muslims of the area.

The main objective of the centre is to advance the academic as well as Islamic education of the community through the provision of Quranic and Hadiths (Islamic studies as Interpreted by Deoband Hanafi school of thoughts) teachings to adults and children by having class tutorials and lectures.

Non-Muslims are welcome to attend any of the centre activities as long as they conform to the expected behaviour and dress code within the centre. Our intentions are to provide all broad range of spectrum facilities for foreseeable future.

Financial Review

In the year to 30 June 2022 the charity had a total income of £67,789 (£75,314 - last year) and total expenditure of £56,532 (£62,974 - last year). This resulted in a net profit for the year of £11,257 (£12,340 - last year). During this period the charity have used funds collected in the current period to maintain activity levels.

Investment powers and policy

The cash balance held in unrestricted reserves at 30 June 2022 was £42,842 (£248,791 - last year). The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately 6 months of unrestricted charitable expenditure.

The Trustees consider, having regard to the budget for the next twelve months, that the charity is a going concern.

Risk Management

The trustees have conducted a review of the major risks to which the charity is exposed and systems have been established to mitigate those risks.

Trustees responsibilities in relation to the financial statements

The charity trustees are responsible for preparing the annual report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Practice).

The law applicable to Charities in England and Wales requires the charity trustees to prepare financial statements for each 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, of the charity for that period.

In preparing the accounts, the directors are required to;

- 1 Select suitable accounting principles and then apply them consistently;
- 2 Observe the methods and principles in the applicable Charities SORP;
- 3 Make judgements and estimates that are reasonable and prudent;
- 4 State whether applicable accounting standards have been followed, subject to any material departures that must be disclosed and explained in the financial statements;
- 5 Prepare the financial statements on a going concern basis unless it is appropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that 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 applicable Charities (Accounts and Reports) Regulations, and the provision of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees and signed on their behalf by;

.....*K. Mahmood*.....

Mr Khalid Mahmood
Chair of the Trustees

Date: *19/09/2023*

Independent Examiner's Report to the Trustees of Social Welfare & Education Trust

I report on the accounts of the charity for the year ended 30 June 2022 which are set out on pages 6 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

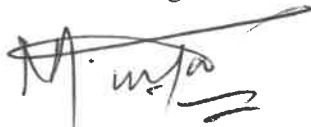
Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act
 have not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Muhammad Tayyab (FCCA)

Ferguson & Co

651 Mauldeth Road West, Chorlton, Manchester, M21 7SA

Date: 19/9/23

Statement of Financial Activities

For the year ended 30 June 2022

	Notes	2022		2021	
		£	£	£	£
		Restricted	General	Restricted	General
INCOMING RESOURCES					
INCOME FOR THE YEAR					
Rent Income	6		67,789		75,314
	6		-		0
		-	67,789	-	75,314
LESS: RESOURCES EXPENDED					
Cost of generating funds					
Expenditure on charitable activities	6		43,339		60,008
Governance costs	6		-		-
Support costs	6		6,759		2,966
		-	56,532	-	62,974
NET INCOME FOR THE YEAR					
			11,257		12,340
BALANCE BROUGHT FORWARD					
			453,525		441,185
BALANCE CARRIED FORWARD					
		-	464,782	-	453,525

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 8 to 13 form part of these accounts.

BALANCE SHEET

At 31st June 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible Assets	3	422,206	205,000
CURRENT ASSETS			
Other debtors		-	-
Cash at bank and in hand		42,842	248,791
		<u>42,842</u>	<u>248,791</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Creditors	5	266	266
		<u>266</u>	<u>266</u>
NET CURRENT ASSETS		42,576	248,525
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>464,782</u></u>	<u><u>453,525</u></u>
ACCUMULATED FUNDS			
Unrestricted funds brought forward	7	453,525	441,185
Unrestricted reserves for current year	7	11,257	12,340
		<u><u>464,782</u></u>	<u><u>453,525</u></u>

We approve these accounts and confirm that we have made available all the information and explanations for their preparation.

Trustee
Mr Khalid Mahmood

K. Mahmood

Trustee
Mr Zulfaqar Ali Yusaf

Z. Yusaf

Date: 19/09/2023

The notes on pages 8 to 13 form part of these accounts.

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of accounting

The financial statements have been prepared in accordance with 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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

SOCIAL WELFARE & EDUCATION TRUST
NOTES TO THE ACCOUNTS (CONTINUED)
For the year ended 30 June 2022

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Current asset investments

The charity holds no investments

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- **Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.**

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities.

Operating leases

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

Tangible fixed assets

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Fixtures & Equipment	25% on cost
Computers & Equipment	25% on cost
Play Equipment	25% on cost

SOCIAL WELFARE & EDUCATION TRUST
NOTES TO THE ACCOUNTS
For the year ended 30 June 2022

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Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and at hand

The charity's cash at bank and in hand includes the availability of funds as at 30 June 2022.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

Employees of the charity have been auto enrolled onto a pension scheme to which the charity contributes.

2.STAFF COSTS

	2022	2021
Staff salaries and NIC	39,649	56,273

The average number of employee during the year were;

	Number	Number
Administration	1	1
Volunteers	1	1

NOTES TO THE ACCOUNTS
For the Year Ended June 2022

3. TANGIBLE FIXED ASSETS

COST	Land & Building	TOTAL £
Brought forward	205,000	205,000
Disposal	0	0
Additions	217,206	217,206
At 30 June 2022	<u>422,206</u>	<u>422,206</u>

NET BOOK VALUE

At 30 June 2022	<u>422,206</u>	<u>422,206</u>
At 30 June 2021	<u>205,000</u>	<u>205,000</u>

4. DEBTORS

	2022	2021
Other debtors	-	-
	<u>-</u>	<u>-</u>

5. CREDITORS

	2022	2021
PAYE & NIC control account	195	195
Pension	71	71
Interest free loan	-	-
	<u>266</u>	<u>266</u>

NOTES TO THE ACCOUNTS

For the Year Ended 30 June 2022

6. ANALYSIS OF INCOME AND EXPENDITURE

Income	30 June 2022			30 June 2021		
	General	Restr- icted	Total	General	Restr- icted	Total
Donations & Legacies (Friday collections)	28,719		28,719	13,873		13,873
HMRC Covid-19 grants	5,952		5,952	40,820		40,820
Other Income	2,183		2,183	110		110
Income from Charitable activities						
Madrisa fee	30,935		30,935	20,511		20,511
	67,789	-	67,789	75,314	-	75,314
Expenditure on charitable activities;						
Heat & lights	1,613		1,613	1,778		1,778
Rates & Water rates	757		757	449		449
Telephone	409		409	269		269
Wages & Salaries	39,649		39,649	56,273		56,273
Pension	911		911	1,239		1,239
	43,339	-	43,339	60,008	-	60,008
Governance Costs;						
Accountancy & Payroll	-		-	-		-
Other Expenses	6,434		6,434	-		-
Bank charges	-		-	-		-
	6,434	-	6,434	-	-	-
Support Costs;						
Printing & Stationery	1,250		1,250	671		671
Sundry Expenses	879		879	-		-
Repairs & renewals	2,995		2,995	1,390		1,390
Insurance	1,635		1,635	905		905
	6,759	-	6,759	2,966	-	2,966
Other Income						
Rent Receivable	-		-	-		-
	11,257	-	11,257	12,340	-	12,340
NET INCOME						
FUNDS BROUGHT FORWARD	378,695		378,695	366,355		366,355
FUNDS CARRIED FORWARD	389,952	-	389,952	378,695	-	378,695

NOTES TO THE ACCOUNTS

For the year ended 30 June 2022

7. ACCUMULATED FUNDS

	GENERAL FUNDS £	RESTRICTED FUNDS £	TOTAL £
Balance at 30 June 2021	378,695	-	378,695
Net income	11,257	-	11,257
Balance at 30 June 2022	<u>389,952</u>	<u>-</u>	<u>389,952</u>

8. CONTROLLING PARTY

Charity in under the share control of Trustees named on page 1 of the accounts.

9. RELATED PARTY TRANSACTION

There has been no transaction with the trustess during the year in any form. (2021 nil)

Independent Examiner's Report to the Trustees of Social Welfare & Education Trust

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Date: