

OJAALA WELFARE FOUNDATION

Report and Accounts

31 August 2016

OJAALA WELFARE FOUNDATION

Report and accounts

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OJAALA WELFARE FOUNDATION
Company Information

Directors

Mrs Naila Bint-E Riaz
Mr Syed Riaz Hussain Shah
Ghulam Dastagir Shah

Accountants

Ayaz & Co.

Registered office

24 Limefield Avenue
Brierfield
Lancashire
BB9 5DG

Registered number

08656153

OJAALA WELFARE FOUNDATION

Registered number:

08656153

Directors' Report

The directors present their report and accounts for the year ended 31 August 2016.

Principal activities

The company's principal activity during the year continued to Be religious teaching and welfare

Directors

The following persons served as directors during the year:

Mrs Naila Bint-E Riaz

Mr Syed Riaz Hussain Shah

Ghulam Dastagir Shah

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 30 May 2017 and signed on its behalf.

Mr Syed Riaz Hussain Shah

Director

OJAALA WELFARE FOUNDATION
Profit and Loss Account
for the year ended 31 August 2016

	Notes	2016 £	2015 £
Turnover		26,445	22,125
Cost of sales		(12,584)	(6,477)
Gross profit		<u>13,861</u>	<u>15,648</u>
Administrative expenses		(281)	(226)
Operating profit		<u>13,580</u>	<u>15,422</u>
Interest receivable		43	3
Profit on ordinary activities before taxation		<u>13,623</u>	<u>15,425</u>
Tax on profit on ordinary activities		-	-
Profit for the financial year		<u>13,623</u>	<u>15,425</u>

OJAALA WELFARE FOUNDATION

Balance Sheet

as at 31 August 2016

	Notes	2016 £	2015 £
Current assets			
Cash at bank and in hand		29,198	15,575
Creditors: amounts falling due within one year	2	(150)	(150)
Net current assets		<u>29,048</u>	<u>15,425</u>
Net assets		<u>29,048</u>	<u>15,425</u>
Capital and reserves			
Profit and loss account	3	29,048	15,425
Shareholder's funds		<u>29,048</u>	<u>15,425</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The member has not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Mr Syed Riaz Hussain Shah

Director

Approved by the board on 30 May 2017

OJAALA WELFARE FOUNDATION

Notes to the Accounts

for the year ended 31 August 2016

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Turnover

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and machinery	20% straight line
Motor vehicles	25% straight line

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Creditors: amounts falling due within one year

	2016	2015
	£	£
Other creditors	150	150

3 Profit and loss account

2016

£

At 1 September 2015

15,425

Profit for the year

13,623

At 31 August 2016

29,048

OJAALA WELFARE FOUNDATION
Detailed profit and loss account
for the year ended 31 August 2016

	2016	2015
	£	£
Sales	26,445	22,125
Cost of sales	(12,584)	(6,477)
Gross profit	<u>13,861</u>	<u>15,648</u>
Administrative expenses	(281)	(226)
Operating profit	<u>13,580</u>	<u>15,422</u>
Interest receivable	43	3
Profit before tax	<u>13,623</u>	<u>15,425</u>

OJAALA WELFARE FOUNDATION
Detailed profit and loss account
for the year ended 31 August 2016

	2016	2015
	£	£
Sales		
Sales	<u>26,445</u>	<u>22,125</u>
Cost of sales		
Other direct costs	<u>12,584</u>	<u>6,477</u>
Administrative expenses		
General administrative expenses:		
Bank charges	131	61
Sundry expenses	<u>-</u>	<u>15</u>
	131	76
Legal and professional costs:		
Accountancy fees	<u>150</u>	<u>150</u>
	<u>150</u>	<u>150</u>
	<u>281</u>	<u>226</u>

OJAALA WELFARE FOUNDATION

Registered charity number: 1154697

Registered office

24 Limefield Avenue
Brierfield
Lancashire
BB9 5DG

Trustees:

Mr Ghulam Dastagir Shah

Mrs Naila Bint-E-Riaz

Mr Syed Riaz Hussain Shah

31st August 2016

Trustees Annual Report and Accounts:

OJAALA WELFARE FOUNDATION

The charity raises funds for its main project overseas in accordance with our main charity objectives:

1. TO ADVANCE THE EDUCATION OF PERSONS IN NEED ANYWHERE IN THE WORLD BY THE PROVISION OF FINANCIAL AID AND MATERIALS INCLUDING BUT NOT LIMITED TO BOOKS, FURNITURE, CLOTHING AND ELECTRONIC HARDWARE/SOFTWARE AND ALSO THROUGH THE CONSTRUCTION OF SCHOOLS, COLLEGES AND TRAINING CENTRES.
2. THE RELIEF OF POVERTY AND SICKNESS ANYWHERE IN THE WORLD BY THE PROVISION OF FINANCIAL OR OTHER ASSISTANCE INCLUDING BUT NOT LIMITED TO MEDICINES, SHELTER, FOOD, CLOTHING, SANITATION AND CLEAN DRINKING WATER.

Public benefit based approach.

We meet the public benefit reporting requirements by:

There is clear benefit to the general public and a section of the public as outlined in our daily, general and wider community activities that we offer to our members, service users, serve our interests in furthering our objectives.

The aims are proactively furthered and promoted through the services delivered through the range of activities without discrimination. All the activities are tailored towards serving the needs of the public provided a wide spectrum of needed services all year round and being accessible to the Muslim community, wider community and general public equally. All trustees, staff and volunteers working with children and young people are CRB checked or vetted locally working within a pragmatic Child Protection Policy that is vigorously implemented and reviewed regularly.

The trustees have been very focused on the delivery of the objects to beneficiaries that have expressed their key local needs for the general, specialist and tailored services. Service users accessibility and recruitment of staff or volunteers is not restricted by geography, costs or by other restrictions unreasonably as long as the ethos, funds, resources and values of the organisation are not compromised, or the activities are not outside our stated objects or pose a significant risk.

The donations or goods are distributed in line with our objects:

1. as direct aid to individuals and families in emergency areas or identified as needy
2. via partner organisations in some grassroots delivery areas in line with our projects.
3. via local relief or support networks following our scrutiny and approval.

Project specific relief in promoting or responding to a humanitarian crisis we generally try to get donations or grants directly to Individuals and families for goods and services. This usually follows our post scoping and needs assessments approval ensuring resources will be targeted only to those who fall into catchment and meet the stated objectives closely.

We target our relief based on needs of individuals and families that are assessed and verified through simple paperwork and with their progress reviewed, updated and monitored as the service(s) stabilises or till funds last as budgeted. The simple paperwork will list the type of relief we identify and provide: food, water, medicine, shelter, clothing, and educational or training services and ask them which they require as order of priority to gauge the numbers, ages, health and fitness levels of people they seek our assistance for with any special requirements ie health, location, communication, adaptation, distances or transportation.

We monitor engagement through adherence to stated objects maintaining a record of the specific service users who meet these criteria. Proactively, we monitor that public benefit is not restricted through our readily accessible complaints policy, regular review of service users in relation to information held on our current databases and encouraging participation through networking opportunities to improve services offered. No service users are turned away due to costs as key services are subsidised through additional fundraising and sponsorships as required. We can confirm

that we do not exclude or discriminate any groups of needy people. We carry out regular strategic and operational risk assessments that are mitigated appropriately ensuring complete awareness of the issues, clear processes and safeguards are in place. We have a complaints procedure that encourages the service users, staff and public to participate ensuring that there would be an effective and expedient outcome dealt with directly by the trustees.

We have no private personal benefit scenarios to date and if any do arise they would be dealt with in accordance with charity commission guidelines, best practice, and good governance ensuring the duty of care, prudence and the reputation of the charity are not compromised at any cost and not losing the confidence of donors.

Aims and objectives

Each year the charity reviews its operations; reviewing and refocusing with a view to setting the aims and objectives of charity for the next year. As part of this process the trustees have paid due regard to the 'General Guidance on Public Benefit' and other guidance on faith, education and public benefit published by the Charity Commission. A long term aim of the charity is to build the sustainable hub of in the community and to work with other community organisations to make our area an educated, peaceful, vibrant and cohesive community. Our chosen area has been a centre to which a large number of people are needy, their income cannot afford to meet their day-to-day essential requirements. We aim to help groups of families by supporting them in their day-to-day essential needs (clean water, food, shelter, hygiene, basic medicine and upskilling them to earn a livelihood where possible). As well as to give mainstream educational opportunities to the next generation to have a chance to get out of poverty.

Charity activities:

We directly benefit through our main project that is educational:

- 45 hostel resident children and their families
- and 250+ local area children

Daily

- ✓ A safe and organised space is provided for cultural and religious needs of the local community serving them at times of need, celebrations, festivities, births, marriages and deaths
- ✓ The pastoral needs, spiritual surgeries and devotional guidance is provided for by an appointed qualified learned respected Imam.
- ✓ Daily worship five times a day is organised and the daily prayer services are lead to a timetable.
- ✓ Children receive a structured moral, spiritual, cultural and religious education.
- ✓ All the children attend a mainstream school for education where all the teaching resources for the school and students are provided for by the charity.
- ✓ After school all residential children are provided lunch daily.
- ✓ Organised games activities are provided every day at playtime with a range of different sports that include football, basketball, cricket and hockey etc.
- ✓ In the evening the residential children have tutors provided to them to help them with revision for one hour each day.
- ✓ Some popular skills development classes are provided including I.T, Tailoring.
- ✓ every two weeks the hostel children are sent home for a weekend the home-trip funded by the charity.
- ✓ We have a monthly review of the residential and local children's progress after which is decided on what area we need to work together on their development.
- ✓ The Children with the best progress are recognised and rewarded.
- ✓ All children are offered from Nursery all the way up to university studies (degree, masters and phd etc) if any of the children choose to pursue these pathways.

Bi-annually

- ✓ Every six months the children are taken on trips to local theme parks, zoo, tourist destinations like Lahore, Islamabad, Mirpur and other relevant places for either study visits and leisure.

Annually

- ✓ Annually we hold a Reports Day in which parents of the children are invited and updated on their child's progress.
- ✓ Children with achievements, good progress and successful results provided with awards certificates. Medals, trophies.
- ✓ During red-letter festivity seasons and at the end of the educational year we arrange for guest respected public speakers different professionals are invited to speak to the children to motivate, envision, inspire and provide positive role models to boost their potentials.

- ✓ Daily Evening and weekend scriptural studies
- ✓ Classical scriptural calligraphy art and education
- ✓ Pastoral learning support RE and Citizenship themes
- ✓ Specialist education: memorisation, elocution, English, Urdu & Arabic Languages

In the learning centre the resident Children are provided with all their basic needs including but not limited to:

- ✓ Free accommodation
- ✓ Free Food
- ✓ Free clothes
- ✓ Free education inc uniforms books and study material.
- ✓ onsite access to computer lab, and different learning resources
- ✓ onsite library.
- ✓ Free mentoring.
- ✓ Solar panel and backup generators for 24x7 supply of energy.
- ✓ Highly qualified teachers, tutors and learning assistants for children with special needs.
- ✓ For security we have 24/7 CCTV cameras and security guards to ensure safety.

Hall and rooms: Our hall and meeting rooms are available for use by local groups and organisations. This year alone the facilities have been used by groups as varied birth, marriage and death anniversary events. Local charities are encouraged to make use of our meeting rooms, and we host surgeries with both local Councillors and the MPs. When facilities are not required for community use they are available for hire on commercial terms to fundraise and benefit from the facilities we offer this service to the local community.

Homework club and IT classes: At weekends and during school holidays a supervised homework club is supported and supervised by volunteer tutors, and over 40 children regularly attend the club. In addition we have a small IT suite and hold classes on a weekly basis for those who want to learn more about computers.

Prayers: The community prayer area is open all day for daily and Friday prayers. During the week we have over 350 people who regularly attend daily prayers and over 400 who regularly attend Friday & Eid prayers.

Festivals: The place of worship prepares food during Ramadan for those attending our place of worship who wish to break their fast together. Eid was also celebrated at the Mosque with a family day and communal meal. We also celebrate Saints' days and offer a monthly service of thanksgiving celebrating the birth of our religious and spiritual figurehead Holy Prophet Muhammad, *peace and blessings be upon him*.

Funeral facilities: The Mosque provides a complete funeral service in line with the teachings of Islam. We relieve the deceased's bereaved relatives of the burden of organising burials. We also hold special classes to teach people how to proceed with Islamic burial procedures.

Civil marriage and Nikkah: The Imams office provides Muslim couples with an appropriate location for both their civil marriage and Nikkah (Islamic marriage). About 10 couples were married at the Mosque in the year.

Strategies

We want to make our educational project to be accessible and a catalyst to a new future with bright options as a passport out of poverty. We ensure that they receive the appropriate English language teaching and that the successful children are helped into places at higher, further and post graduate education.

All classes, open days and seminars are widely advertised and we welcome the participation of all neighbours (both Muslims and non-Muslims) in our educational initiatives and workshops where we share our values, culture, traditions and our faith with wider society. We also hold an open week each year when we invite congregations from all the local places of worship to visit us and learn more about our work. An important part of our faith is charitable giving we are pleased to receive Zakat. Fitrana, qurbani. Mawlid and sadaqa donations for the sole purpose of the relief of need, overcome financial hardship and provide future social progression opportunities to younger generations especially those who have insufficient income or savings to cover their basic essential needs for shelter, food, clothing or who are destitute with no means of support.

We are mindful that all staff, students, volunteers and partners are upright people that are law abiding good citizens and that we be smartly vigilant to protect them from crime, corruption, hatred, extremism and terrorism.

Use of volunteers

Volunteers are an important resource in our work and are involved in most of our community activities. We encourage all members of our community to be involved in voluntary activities to share their skills with others. All volunteers working with projects involving children or elderly people are CRB checked or vetted with verified professional references provided for each.

Grant making policy

The charity through various campaigns and appeals receives money from the generosity of caring donors. The charity awards these monies to partner education facilities in which we allocate and budget funds to help overcome some short term financial problems of parents thus enabling pupils' education to continue. We also administer the receipt and distribution of zakat, fitrana, qurbani, sadaqa. Mawlid and Ghiyarveen shareef donations.

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 monthly and are responsible for all decisions taken in relation to running the prayer area and the community facilities and the activities provided by the charity. To assist in the smooth running of the charity the trustees have set up a number of sub-committees that help them oversee certain aspects of the charity's work. Sub-committees are currently set up for finance, education, distribution, day-to-day management of the building and report back with their updates and recommendations to the full meeting of the trustees.

The sub-committees each meet six times a year, on alternate months to each other. The chair of trustees or another trustee in his nascence will chair sub-committees whose membership reflects the particular skills that trustees can bring to the work of the sub-committees. The day-to-day management of the community hub, educational site, hostel facilities, all resources and projects are assigned and delegated to the appropriate team. A separate committee deals with the collection and distribution of donations that meets monthly to review targets, milestones and future direction.

Recruitment and appointment of trustees

The existing trustees are responsible for the recruitment of new trustees but in so doing the trustees seek the views and recommendations of both elders, professionals and community leaders. The trustees believe this approach ensures that new trustees are respected members of the local communities and ensures that good relations are fostered between different people building social cohesion in the local community that we serve.

When selecting new trustees, we seek to identify people who are vetted, skilled, committed and regularly attend events and functions organised by the charity and are willing to volunteer to help in our broader community work too like interfaith. Potential trustees are invited to attend trustees' meetings as observers and are given more details of the charity's aims and activities and, if all agree, they may be proposed as future trustees at the subsequent trustees' meeting. This process allows due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

Induction and training of 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 Essential Trustee, guidance on charities and public benefit, on the advancement of religion and education for the public benefit. This ensures that new trustees are aware of the scope of their responsibilities under the Charities Act. Initially, new trustees work with an existing trustee 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.

Risk management

The trustees have assessed the risks the charity faces and have drawn up a risk matrix which identifies the major risks by area of activity, the nature of those risks, the likelihood of the risks happening and the measures taken to manage them. The trustees review this risk matrix regularly at their meetings and at meetings of the two sub-committees on finance and buildings. The trustees are satisfied that systems are in place, or arrangements are in hand, to manage the risks that have been identified. In particular, insurance cover is in place and the finances of the charity are kept under review. Appropriate Criminal Records Bureau (CRB), vetting and verification checks are supported by regularly reviewed policies, are made for all those who work with children or other vulnerable groups within the projects, school, hostel, or community spaces.

Partnership working and performance review

In developing our community programmes, we are pleased to work in partnership with both of which have provided funding and invaluable advice. Our charity support projects working close with Ujaala International English School, Masjid Asrar, and Jannat Bibi hostel. The have also been very supportive of our educational initiatives as have a number of local community organisations, in particular officials of Union Council Bagarianwala officials who have worked closely with us on a number of initiatives. We look to all our partners, including, to give feedback on the success of our initiatives, receive any criticisms, then the trustees review the progress and outcomes of our work at each meeting. A liaison meeting is held each term with school staff, parents and members of the local education authority to assess the progress and improvements that can be made to this programme.



Financial review

Reserves policy

The trustees have reviewed the reserves of the charity. Their policy is to hold enough funds to meet four months' operating costs of the main project, excluding the collection and distribution of seasonal donations, and of our community educational activities and programmes.

Principal funding sources

The charity's main source of income are seasonal donations, regular donors and sponsors. Giving at Friday prayers are declining due given the economic conditions currently affecting our local community this level of voluntary giving is both generous and encouraging.

The collection and distribution of Zakat, Fitrana, Qurbani, Sadaqa, Mawlid and Ghiyarveen shareef funds are of great benefit to those in poverty or need overseas, and the trustees were delighted to exceed last year's collection in such difficult economic times.

Investment policy and objectives

The charity has no long-term investments. Our cash reserves are held in money market and deposit accounts. The interest earned is considered by the trustees as a gift of the UK banking system and supplements the work supported by the collection of Zakat.

Plans for future periods

We intend to maintain our existing range of community activities working in partnership with the community and to further develop our community projects in collaboration with partners to make these sustainable and effective in the long term. We continue to place great importance on sharing a good understanding of different faiths and cultures as well as being neighbourly building cohesion and hope to be more proactive in educating communities against trends in crime and corruption, warning the wider public about the preying nature including pitfalls of extremism and terrorism.

Statement of Trustees' responsibilities

The charity trustees are responsible for preparing an annual report and 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 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 financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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 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 1993, 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 taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees for the purposes of charity law who served during the year and up to the date of this report are set out on page 1.

Approved by the trustees and signed on its behalf by:

MR SYED RIAZ HUSSAIN SHAH (Chair)

Dated: 1st October 2017