

CHARITY REGISTRATION NUMBER: 1085713

ALULBAYT FOUNDATION
Unaudited Financial Statements
31 March 2017

FAIRMAN DAVIS
Chartered accountant
Suite 16, Exhibition House
Addison Bridge Place
London
W14 8XP

ALULBAYT FOUNDATION

Financial Statements

Year ended 31 March 2017

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	3
Statement of financial activities	4
Statement of financial position	5
Notes to the financial statements	6

ALULBAYT FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 March 2017

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2017.

Reference and administrative details

Registered charity name	ALULBAYT FOUNDATION
Charity registration number	1085713
Principal office	75 Brondesbury Park London NW6 7AX

The trustees

Fadhil Mehdi
Sayyed Ali Sharestani
Seyed Ali Seyedi Haeri
Mr Mohsen Mousavi
Mr Hamid Asmail

Accountants	Fairman Davis Chartered accountant Suite 16, Exhibition House Addison Bridge Place London W14 8XP
--------------------	--

Structure, governance and management

Governing Documents

The organisation was registered as charity on 21st March 2001 and is governed by its Trust Deed dated 19th March 2000.

Organisation Structure

Alulbait Foundation has a Management Committee which meets quarterly and is responsible for the strategic direction and policy of the charity.

Risk Management

The Management Committee has conducted a review of the major risks to which the charity is exposed to and continues to monitor this on an ongoing basis. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of volunteers, clients and visitors to the centre. The procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Objectives and activities

The charity's objective and its principal activity continue to be that of providing relief of poverty, sickness, distress and the advancement of education in particular amongst people who are of Islamic Faith. Central to our mission is our belief that the culture of human rights and religious freedom must be promoted and respected globally. In our capacity as a non-governmental institution and in light of the fact that we are registered members of United Nations with ECOSOC status, we strive to address pertinent socio-cultural issues, such as interfaith networks, countering-extremists narratives, and youth empowerment. In addition, we have devoted considerable efforts in order to improve sectarian relations among different Muslims communities in the United Kingdom.

ALULBAYT FOUNDATION

Trustees' Annual Report *(continued)*

Year ended 31 March 2017

Achievements and performance

Once again the Foundation served the religious and social needs of the community by functioning as a registered place of meeting for religious worship and social gatherings. Our activities included:

- Congregational Friday prayers,
- Classes to prepare pilgrims visiting holy sites
- Weekly Iftar (breaking of the fast) during the holy month of Ramadan
- Training courses on religious tolerance and on citizenship and civic values, designed primarily to educate the youth on British values and good citizenry
- Revision classes for GCSE Religious Studies and Saturday workshops covering history, ethics and Quran
- Special functions for senior citizens
- Support and venue to women specific programmes
- Sports activities such as badminton and table tennis
- Support to families suffering bereavement

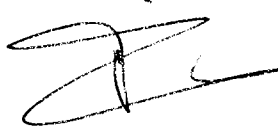
Financial review

Against the backdrop of limited resources the charity has continued to plan or develop its services. With the aid of sound financial management and the support of both its staff and volunteers, the charity has achieved a satisfactory outcome for the year, with sufficient resources to continue its normal activities in the forthcoming years.

Plans for future periods

The charity intends to continue its activities in pursuance of its defined objectives.

The trustees' annual report was approved on 13 June 2017 and signed on behalf of the board of trustees by:



Mr Mohsen Mousavi
Trustee

ALULBAYT FOUNDATION

Independent Examiner's Report to the Trustees of ALULBAYT FOUNDATION

Year ended 31 March 2017

I report on the financial statements for the year ended 31 March 2017, which comprise the statement of financial activities, statement of financial position and the related notes.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the financial statements. The 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;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to 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 next statement.

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.



FAIRMAN DAVIS
Chartered accountant

Suite 16, Exhibition House
Addison Bridge Place
London
W14 8XP

ALULBAYT FOUNDATION

Statement of Financial Activities

31 March 2017

		2017	2017		2016
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	41,458	264,675	306,133	914,637
Total income		<u>41,458</u>	<u>264,675</u>	<u>306,133</u>	<u>914,637</u>
Expenditure					
Expenditure on charitable activities	5,6	(350,181)	(126,727)	(476,908)	(488,854)
Total expenditure		<u>(350,181)</u>	<u>(126,727)</u>	<u>(476,908)</u>	<u>(488,854)</u>
Net (expenditure)/income and net movement in funds					
		<u>(308,723)</u>	<u>137,948</u>	<u>(170,775)</u>	<u>425,783</u>
Reconciliation of funds					
Total funds brought forward		382,660	100,491	483,151	57,368
Total funds carried forward		<u>73,937</u>	<u>238,439</u>	<u>312,376</u>	<u>483,151</u>

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

The notes on pages 6 to 11 form part of these financial statements.

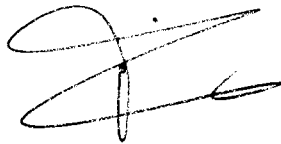
ALULBAYT FOUNDATION

Statement of Financial Position

31 March 2017

		2017	2016
		£	£
Fixed assets			
Tangible fixed assets	12	392,372	430,976
Current assets			
Debtors	13	10,000	—
Cash at bank and in hand		11,593	193,420
		<u>21,593</u>	<u>193,420</u>
Creditors: amounts falling due within one year	14	<u>101,589</u>	<u>141,245</u>
Net current liabilities		<u>(79,996)</u>	<u>52,175</u>
Total assets less current liabilities		<u>312,376</u>	<u>483,151</u>
Net assets		<u>312,376</u>	<u>483,151</u>
Funds of the charity			
Restricted funds		238,439	100,491
Unrestricted funds		73,937	382,660
Total charity funds	16	<u>312,376</u>	<u>483,151</u>

These financial statements were approved by the board of trustees and authorised for issue on 13 June 2017, and are signed on behalf of the board by:



Mr Mohsen Mousavi
Trustee

The notes on pages 6 to 11 form part of these financial statements.

ALULBAYT FOUNDATION

Notes to the Financial Statements

Year ended 31 March 2017

1. General information

The charity is registered charity in England and Wales and is unincorporated.
The address of the principal office is 75 Brondesbury Park, London, NW6 7AX.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

The charity is exempt from the requirement to produce a cash flow statement under Financial Reporting Standard No.1 (Cash flow statements)

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 17.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

ALULBAYT FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It included both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Governance costs include those costs associated with meeting the charity's constitutional and statutory requirements as well as costs linked to the strategic management of the charity.

Tangible assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold Property	-	10% straight line
Fixtures & Fittings	-	25% straight line
Motor Vehicles	-	25% straight line
Equipment	-	25% straight line

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

ALULBAYT FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Donations	<u>41,458</u>	<u>264,675</u>	<u>306,133</u>

ALULBAYT FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Donations	566,545	348,092	914,637

5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Donations	206,862	123,081	329,943
Support costs	143,319	3,646	146,965
	<u>350,181</u>	<u>126,727</u>	<u>476,908</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £
Donations	97,140	247,601	344,741
Support costs	144,113	-	144,113
	<u>241,253</u>	<u>247,601</u>	<u>488,854</u>

6. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2017 £	Total fund 2016 £
Donations	329,943	145,344	475,287	485,361
Governance costs	-	1,621	1,621	3,493
	<u>329,943</u>	<u>146,965</u>	<u>476,908</u>	<u>488,854</u>

7. Analysis of support costs

	Support costs £	Total 2017 £	Total 2016 £
Staff costs	66,215	66,215	75,453
Premises	11,340	11,340	7,821
Communications and IT	2,280	2,280	3,444
General office	65,390	65,390	53,900
Finance costs	120	120	-
Governance costs	1,620	1,620	3,496
	<u>146,965</u>	<u>146,965</u>	<u>144,114</u>

ALULBAYT FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

8. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2017	2016
	£	£
Depreciation of tangible fixed assets	<u>53,097</u>	<u>50,761</u>

9. Independent examination fees

	2017	2016
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,620</u>	<u>1,500</u>

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2017	2016
	£	£
Wages and salaries	64,758	72,653
Social security costs	1,427	2,801
Employer contributions to pension plans	29	–
	<u>66,214</u>	<u>75,454</u>

The average head count of employees during the year was 4 (2016: 4).

No employee received employee benefits of more than £60,000 during the year (2016: Nil).

11. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

12. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 April 2016	471,284	3,948	–	15,863	491,095
Additions	<u>8,593</u>	<u>–</u>	<u>5,900</u>	<u>–</u>	<u>14,493</u>
At 31 March 2017	<u>479,877</u>	<u>3,948</u>	<u>5,900</u>	<u>15,863</u>	<u>505,588</u>
Depreciation					
At 1 April 2016	47,128	3,946	–	9,045	60,119
Charge for the year	<u>47,988</u>	<u>–</u>	<u>1,475</u>	<u>3,634</u>	<u>53,097</u>
At 31 March 2017	<u>95,116</u>	<u>3,946</u>	<u>1,475</u>	<u>12,679</u>	<u>113,216</u>
Carrying amount					
At 31 March 2017	<u>384,761</u>	<u>2</u>	<u>4,425</u>	<u>3,184</u>	<u>392,372</u>
At 31 March 2016	<u>424,156</u>	<u>2</u>	<u>–</u>	<u>6,818</u>	<u>430,976</u>

ALULBAYT FOUNDATION

Notes to the Financial Statements *(continued)*

Year ended 31 March 2017

13. Debtors

	2017	2016
	£	£
Other debtors	<u>10,000</u>	<u>—</u>

14. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	98,162	138,161
Accruals and deferred income	1,620	1,500
Social security and other taxes	1,151	928
Other creditors	656	656
	<u>101,589</u>	<u>141,245</u>

15. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £29 (2016: £Nil).

16. Analysis of charitable funds

Unrestricted funds

	At 1 April 2016	Income	Expenditure	At 31 March 2017
	£	£	£	£
General funds	<u>382,660</u>	<u>41,458</u>	<u>(350,181)</u>	<u>73,937</u>

Restricted funds

	At 1 April 2016	Income	Expenditure	At 31 March 2017
	£	£	£	£
Restricted Funds	<u>100,491</u>	<u>264,675</u>	<u>(126,727)</u>	<u>238,439</u>

17. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 April 2015.

No transitional adjustments were required in the retained funds or income or expenditure for the year.