

**AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2023**



## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

Mr Sirajuddin Manzoor Munshi  
Mr Zubair Moosa  
Mr Ilyas Molvi  
Mr Abdul Rehman Yunus Ghadiali  
Mr Mohamed Musa  
Mr Mohamed Saied Maljee  
Mr Mohammed Hanif Patel  
Mr Yakub Ibrahim Nanji  
Mr Iqbal Patel  
Mr Ayub Zumla  
Mr Ahmed Ali Adam Patel

### Charity number

1038679

### Principal address

Willows Lane  
Bolton  
Lancashire  
BL3 4HF

### Accountants

SND Accountants & Business Advisors

9 Prescott Street  
Bolton  
BL3 3LZ

### Auditors

Zia & Co  
Chartered Certified Accountants &  
Registered Auditors  
825A Stockport Road  
Manchester  
M19 3PN



# AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.

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# **AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

## **TRUSTEES' REPORT**

**FOR THE YEAR ENDED 30 APRIL 2023**

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The Trustees present their annual report and the financial statements for the year ended 30<sup>th</sup> April 2023. The Trustees confirm that the annual report and financial statements of the trust comply with the current statutory requirements of the trust's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### **Objectives and activities**

The trust's objects are as per the trust deed of education and the advancement of the religion of Islam. The trusts shall try to achieve the above objects by:

- establishing a college of further education for the teaching of the Holy Quran and other related subjects to Muslim students.
- establishing a Mosque as a place of worship and facilitate other activities allied to promotion of knowledge and understanding of the beliefs and institutions of Islam.
- establishing a school for secular education at secondary level up to the age of sixteen years.

The trust runs the Al Jamiyah Al Islamiyah, an independent Muslim boarding school which is registered with the Department for Education & Skills (DFES). The school provides educational facilities for 170 boys ages 11 to 21 years. The pupils undertake various levels of study of Islamic instruction. All students according to the appropriate age group also follow the secondary school syllabus leading to GCSE's and undertake courses in the sixth form. The school provides alternative education with an Islamic ethos to boys who otherwise would have been in the state sector, many coming from ethnic backgrounds with low expectations and classed as academic under achievers.

The Charity provides faith-based education for 11 year olds and over in accordance with the principals and tenets of Islamic faith, tradition and curriculum. It also provides mainstream studies in line with the National Curriculum. The Charity provides educational advancement, including the provision of boarding and/or day school for children. It is our policy to attain the highest academic levels as well as providing an extra-curricular programme, for our students which aims to develop life-long leisure interests and help build self-confidence and a desire to be good ambassadors of their faith and contribute to a cohesive community. The charity is established for the furtherance of education in accordance with the Sunni Muslim faith.

### **Public benefit**

The Darul Uloom develop strategic plans to make certain that they deliver maximum public benefit and achieve their strategic objectives, which fall under purposes defined by the charities act 2011. The trustees have carefully considered the Charity Commission's general guidance on public benefit in setting our objectives and planning our activities.

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



# **AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2023**

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### **Achievements and performance**

The trustees can see the performance of the Darul Uloom has been good considering the transition of the institute. GCSE, AS levels and B-Tech courses continue to be delivered at the institute, positive steps have been taken to widen the opportunity available to the students. The staff of Darul Uloom are passionate and keen to work tirelessly with the available resources to deliver a high level of nurturing/guidance education. Regular meetings with the management and staff continue to enhance the development of the school.

This reporting year Darul Uloom had the joy of celebrating the graduation ceremony of 15 Hifz students and 12 Alim students, of those some Hifz students have progressed onto the Alim course and others have left to pursue further studies at college. The Alim course has provided a valuable grounding for graduates to further their Islamic and Academic aspirations, some of whom have gone onto Universities to study Degree courses.

The trust has maintained its duty to undertake and arrange of workplace assessments to ensure that hazards are being properly identified and appropriate protective measures are in place to assist in minimizing the possibility of loss from risks. Periodic reviews take place to assess the performance of the systems implemented.

### **Financial review**

The school's principal funding source is from school fees, which is amounted to £218,166 (2022: £279,942). Overheads have remained fairly consistent. The financial situation of the school continues to be satisfactory. The present level of funding is adequate to support the continuation of the school and the trustees consider the financial position of the charity to be satisfactory.

It is the policy of the charity to maintain the unrestricted funds at a level which equate to approximately six months unrestricted expenditure.

### **Reserves policy**

The charity has considered the reserves required and have taken into account their current and future liabilities. The trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted charitable expenditure. The trustees consider that this level will provide sufficient funds to ensure that support and governance costs are covered.

The charity holds sufficient reserves to meet the operating expenses of the charity in the event of a downturn in income and / or unforeseen increases in costs.

The trustee's review the reserve policy each year, assessing the risks and reflecting changes in factors such as investment income and also financial obligations and commitments.

The trustees have assessed the year-end reserves position and can conclude that it is within the policy target reserve for covering next year's core operational budget.

### **Investment policy**

The overall objectives are to create sufficient income and capital growth to enable the charity to carry out its purposes consistently year by year with due and proper consideration for future needs and the maintenance of, and if possible, enhancement of the value of the invested funds while they are retained.

Both capital and income may be used at any time for the furtherance of the charity's aims and therefore the portfolio should be managed on a total return basis.

### **Future plans**

The board has a current plan to maintain and improve upon the current standards of academic achievements as measured by external public examinations and independent value added criteria. The plans include collaboration and sharing of good practice between academic departments, improve internal communications and management information systems, to continue to develop the curriculum facilities alongside many others.



# **AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 30 APRIL 2023**

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

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

The Al-Jamiatul Islamiyah Darul Uloom Lancashire UK is constituted under a Trust Deed dating 8th June 1994 and registered with Charity commission under charity number 1038679.

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

Mr Ahmed Ali Adam Patel  
Mr Mohammed Hanif Patel  
Mr Yakub Ibrahim Nanji  
Mr Iqbal Patel  
Mr Ayub Zumla  
Mr Mohamed Musa  
Mr Abdul Rehman Yunus Ghadiali  
Mr Mohmed Saied Malgee  
Mr Sirajuddin Manzoor Munshi  
Mr Ilyas Molvi  
Mr Zubair Moosa

#### **Recruitment and appointment of new trustees**

Trustees are appointed by the board of trustees. The board of trustees comprises members from a variety of backgrounds. The procedure to appoint or withdraw a trustee is in accordance to the trust deed. There are informal procedures in place for the induction and training of new trustees. The trustees also encouraged to attend relevant external briefing training courses.

The trust runs Al Jamiah Al Islamiyah, an independent Muslim boarding school. The day to day management of the school is delegated to the Darul Uloom Academic Board headed by the chair of the academic board and by the head of the school and the sixth form. All major decisions are ratified by the board of trustees.

The board of trustees and Darul Uloom Academic Board are responsible for the management of the risks faced by the charity. Risks are identified, assessed and controls established throughout the year.



# **AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 APRIL 2023**

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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 the running of the Darul Uloom. To assist in the smooth running of the Darul Uloom the trustees have set up a number of sub-committees that help them oversee certain aspects of the Darul Uloom's work. Sub-committees are currently set up for finance and for day to day management of the building and report back with their recommendations to the full meeting of the trustees.

The trust runs Al Jamiah Al Islamiyah, an independent Muslim boarding school. The day to day management of the school is delegated to the Darul Uloom Academic Board headed by the chair of the academic board and by the head of the school and the sixth form. All major decisions are ratified by the board of trustees.

### **Induction and training of new 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 guidance on charities and public benefit and the advancement of religion for the public benefit.

This ensures that the 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 Darul Uloom. After satisfactory feedback from existing trustees, they are then given the task of leading a particular activity or project, reporting progress at trustees' meetings.

### **Key management remuneration**

The trustees consider the board of trustees and the chief executive as comprising the key management personnel of the charity in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year.

### **Risk management**

The Trustees review the major risks which the charity faces on a regular basis.

Risks are assessed, identified, managed and constantly reviewed. A set of policies and procedures are developed to manage risks, which form the internal controls framework. The policies are set by the trustees and the management team and implementation is delegated to the management team. The relevant policies and procedures are communicated to all staff and training given where applicable. Periodic policy reviews are undertaken to seek to ensure the internal controls framework remains relevant.

The Trustees regularly consider the Compliance Toolkit issued by the Charity Commission, Protecting Charities from Harm. The charity has established systems which continue to mitigate the significant risks.

The Trustees are committed to and are continuously striving to have stronger and more robust systems and controls which all provide even more transparency and accuracy and ensure the assets of the charity are safeguarded.

The organisation has both employer liability and public liability insurance policies in place. All employees are put through appropriate Disclosure and Barring Service checks.



# AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

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### Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

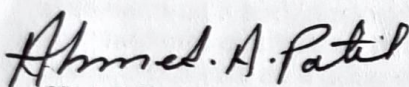
The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources of the trust for that Year.

In preparing these 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees' report was approved by the Board of Trustees and signed on its behalf by:



Mr A A Patel

Trustee

Dated: 22 January 2024



# **AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE TRUSTEES OF AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

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#### **Opinion**

We have audited the financial statements of Al-Jamiatul Islamiyah Darul Uloom Lancashire U.K. (the 'trust') for the Year ended 30 April 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2023 and of its incoming resources and application of resources, for the Year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We are responsible for concluding on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the company to cease to continue as a going concern.

In our evaluation of the trustees' conclusions, we considered the inherent risks associated with the charitable company's business model including effects arising from macro-economic uncertainties such as the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the trustees and the related disclosures and analysed how those risks might affect the charitable company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report, including the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.



# **AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008<sup>7</sup> require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable trust and the sector in which it operates. We determined that the following laws and regulations were most significant: The Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102), Charities SORP (FRS 102), Charities Act 2011, Data Protection Act 2018 and The Charities (Protection and Social Investment) Act 2016;
- We understood how the charitable trust is complying with these legal and regulatory frameworks by making inquiries of management and those charged with governance. We enquired of management and those charged with governance whether there were any instances of non-compliance with laws and regulations, or whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of board and other minutes and through our legal and professional expenses review;



# **AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

- We assessed the susceptibility of the charitable trust's financial statements to material misstatement, including how fraud might occur and the risk of material override of controls. Audit procedures performed by the engagement team included:
  - Identifying and assessing the design effectiveness of certain controls management has in place to prevent and detect fraud
  - Challenging assumptions and judgements made by management in its significant accounting policies
  - Identifying and testing journal entries, with a focus on unusual journals with specific risk characteristics and large value journals
  - Identifying and testing related party transactions
  - Inspecting the board and other committee minutes
  - Assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
  - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
  - knowledge of the charity sector
  - understanding of the legal and regulatory requirements specific to the charitable company including:
    - the provisions of the applicable legislation
    - guidance issued by the Charity Commission
- The team communications in respect of potential non-compliance with relevant laws and regulations included the potential for fraud in revenue through manipulation of income and management override of controls; and
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - the charitable company's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
  - the charitable company's control environment, including:
    - the policies and procedures implemented by the charitable company to ensure compliance with the requirements of the financial reporting framework and relevant laws and regulations
    - the adequacy of procedures for authorisation of transactions and review of management accounts
  - procedures to ensure that possible breaches of laws and regulations are appropriately resolved.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

This description forms part of our auditor's report.



# **AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE TRUSTEES OF AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.**

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#### **Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Muhammad Saeed Zia (Senior Statutory Auditor)**  
**for and on behalf of Zia & Co**

22 January 2024

**Chartered Certified Accountants**  
**& Registered Auditors**

825A  
Stockport Road  
Manchester  
M19 3PN



# AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 APRIL 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b><u>Income and endowments from:</u></b>			
HMRC JRS Grants		-	148,124
Donations and legacies	3	-	-
Charitable activities	4	218,166	279,942
Investments	5	174,380	203,610
Other income	6	11,194	33,547
<b>Total income</b>		<b>403,741</b>	<b>665,223</b>
<b><u>Expenditure on:</u></b>			
Charitable activities	7	540,633	762,827
Gross transfers from funds		-	-
<b>Net expenditure for the year/</b>			
<b>Net movement in funds</b>		<b>(136,892)</b>	<b>(97,604)</b>
Fund balances at 1 May 2022		5,823,178	5,920,782
<b>Fund balances at 30 April 2023</b>		<b>5,686,286</b>	<b>5,823,178</b>

The statement of financial activities includes all gains and losses recognised in the Year.

All income and expenditure derive from continuing activities.



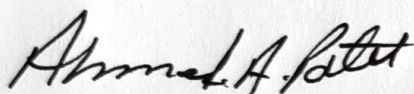
# AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.

## BALANCE SHEET

AS AT 30 APRIL 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	11	3,709,824		3,773,499	
Investment properties	12	2,052,439		2,052,439	
		<u>5,762,262</u>		<u>5,825,938</u>	
<b>Current assets</b>					
Debtors	13	-		-	
Cash at bank and in hand		21,121		13,923	
		<u>21,121</u>		<u>13,923</u>	
<b>Creditors: amounts falling due within one year</b>	14	(97,097)		(16,683)	
Net current (liabilities)/assets		<u>(75,976)</u>		<u>(2,760)</u>	
<b>Total assets less current liabilities</b>		<u>5,686,286</u>		<u>5,823,178</u>	
<b>Income funds</b>					
Unrestricted funds		5,686,286		5,823,178	
		<u>5,686,286</u>		<u>5,823,178</u>	

The financial statements were approved by the Trustees on 22 January 2024.



Mr A A Patel  
Trustee



# AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	15		(326,115)		(295,825)
<b>Investing activities</b>					
Investment income received		174,380		203,610	
<b>Net cash generated from investing activities</b>			174,380		203,610
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(151,735)		(92,215)
Cash and cash equivalents at beginning of Year			13,922		106,137
<b>Cash and cash equivalents at end of Year</b>			(137,813)		13,922



# AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's [governing document], 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 (FRS 102) (effective 1 January 2019)". The trust is a Public Benefit Entity as defined by FRS 102.

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 trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the 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 trustees in furtherance of their charitable objectives.

#### 1.4 Income

Income is recognised when the trust 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 trust 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.

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is possible 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 accrual 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.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold buildings

2% per annum on buildings



# AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

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### 1 Accounting policies

(Continued)

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

#### 1.8 Impairment of fixed assets

At each reporting end date, the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 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.

#### 1.10 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **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.



# AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 1 Accounting policies

(Continued)

#### **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 trust's contractual obligations expire or are discharged or cancelled.

#### **1.11 Taxation**

The charity is exempt from tax on its charitable activities.

### 2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the 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.

### 3 Donations and legacies

	Total	Unrestricted funds general
	2023	2022
	£	£
Donations and gifts	-	-



# AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

### 4 Charitable activities

	Charitable Income 2023 £	Charitable Income 2022 £
Services provided under contract	218,166	279,942

### 5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Rental income	174,380	203,610

### 6 Other income

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Other income	11,194	33,547



# AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 7 Charitable activities

	Direct Costs	Support Costs	Total Direct Costs	Support Costs	Total
	2023	2023	2023	2022	2022
	£	£	£	£	£
Depreciation and impairment	-	63,676	63,676	-	64,769
Staff Costs - teaching	285,616	-	285,616	430,024	-
Canteen, Books & Resources	35,113	-	35,113	70,048	-
Insurance	-	43,331	43,331	-	46,374
Light and Heat	-	72,022	72,022	-	82,673
Telephone	-	144	144	-	5,194
Repairs & Maintenance	-	9,699	9,699	-	2,632
General Expenses	-	8,469	8,469	-	14,271
Health & Safety	-	2,717	2,717	-	15,760
Bank Charges	-	439	439	-	1,134
Interest payable and similar charges	-	4,123	4,123	-	4,097
Audit Fees	-	2,000	2,000	-	2,000
Bookkeeping Fees	-	1,000	1,000	-	1,000
Other legal and professional fees	-	5,497	5,497	-	16,630
Rates & Water	-	6,787	6,787	-	6,221
	<u>320,729</u>	<u>219,904</u>	<u>540,633</u>	<u>500,072</u>	<u>762,827</u>
	<u>320,729</u>	<u>219,902</u>	<u>540,633</u>	<u>500,072</u>	<u>762,827</u>

Governance costs includes payments to the auditors of £2,000 (2022: 2,000) for audit fees.

### 8 Net movement in funds

2023  
£

2022  
£

Net movement in funds is stated after charging/(crediting)

Depreciation of owned tangible fixed assets

63,676

64,769

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the trust during the Year.



# AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

### 10 Employees

The average monthly number of employees during the Year was:

2023 Number	2022 Number
43	43

No employee received emoluments of more than £60,000 (2022: 60,000).

### 11 Tangible fixed assets

	Freehold buildings £
<b>Cost</b>	
At 1 May 2022	4,628,624
At 30 April 2023	4,628,624
<b>Depreciation and impairment</b>	
At 1 May 2022	855,125
Depreciation charged in the Year	63,676
At 30 April 2023	918,801
<b>Carrying amount</b>	
At 30 April 2023	3,709,824
At 30 April 2022	3,773,499

### 12 Investment property

	2023 £
<b>Fair value</b>	
At 1 May 2022 and 30 April 2023	2,052,439

Investment property comprises of freehold land and buildings. Investment properties are included within the financial statements at historical cost. The trustees are of the opinion that historical cost of investment property is not materially different from fair value.



# AL-JAMIATUL ISLAMIYAH DARUL ULOOM LANCASHIRE U.K.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

### 13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	-	-

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

	2023 £	2022 £
Other taxation and social security	2,656	5,999
Other creditors	91,441	7,684
Accruals and deferred income	3,000	3,000
	<u>97,097</u>	<u>16,683</u>

### 15 Cash generated from operations

	2023 £	2022 £
Surplus / (Deficit) for the Year	(295,825)	(97,604)
Adjustments for:		
Investment income recognised in statement of financial activities	(174,380)	(203,610)
Depreciation and impairment of tangible fixed assets	63,676	64,769
Movements in working capital:		
Decrease in debtors	-	-
Decrease in creditors	80,414	(59,380)
<b>Cash absorbed by operations</b>	<u>(326,115)</u>	<u>(295,825)</u>

### 16 Analysis of changes in net funds

The trust had no debt during the year.