

**REGISTERED COMPANY NUMBER: 03303521 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1061120**

**REPORT OF THE TRUSTEES AND**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**  
**FOR**  
**AL-NOOR FOUNDATION LIMITED**  
**(A COMPANY LIMITED BY GUARANTEE)**

**Prestons & Jacksons Partnership LLP**  
**Statutory Auditors**  
**364 - 368 Cranbrook Road**  
**Ilford**  
**Essex**  
**IG2 6HY**



# **AL-NOOR FOUNDATION LIMITED**

## **CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

|  | <b>Page</b>                |
|--|----------------------------|
| <b>Report of the Trustees</b>                                | <b>1 to 11</b>             |
| <b>Report of the Independent Auditors</b>                    | <b>12 to 14</b>            |
| <b>Statement of Financial Activities</b>                     | <b>15</b>                  |
| <b>Statement of Financial Position</b>                       | <b>16 to 17</b>            |
| <b>Statement of Cash Flows</b>                               | <b>18</b>                  |
| <b>Notes to the Statement of Cash Flows</b>                  | <b>19</b>                  |
| <b>Notes to the Financial Statements</b>                     | <b>20 to 30</b>            |
| <b><del>Detailed Statement of Financial Activities</del></b> | <b><del>31 to 32</del></b> |

# **AL-NOOR FOUNDATION LIMITED**

## **TRUSTEES REPORT**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of 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).

### **Our Vision:**

"Individuals, families and communities that truly understand and accept their purpose of being in this world, confidently live and work together for a just, responsible and compassionate society".

Al-Noor Foundation was launched in 1998 with a vision of making a positive change in our community. As local residents growing up in London, we wanted to give something back to our community. We wanted to make a positive change, to invest in our future generation by imbedding core values such as kindness, respect, compassion and good character alongside developing God consciousness.

Our strategy is to unlock the amazing potential within people, starting at the youngest of ages, with Al-Noor Independent and Al-Noor Voluntary Aided Primary School. We believe our balanced education of primarily good character, along with academic excellence, delivered against the backdrop of a strong Islamic ethos provides a holistic education for the future citizens of our community.

### **Our Mission**

Al-Noor works with young people and organisations to achieve their potential with knowledge, skills and experiences through its education programmes and services to create a positive change.

### **Four values of Al-Noor:**

#### **Integrity**

We believe integrity, honesty, transparency and truthfulness is the cornerstone of our project and the mantle from which all thriving communities should be built. We believe that all involved in Al-Noor should strive to have integrity in their private and professional life. This will allow our community to confidently live and work together.

#### **Continuous improvement**

We believe to create leaders in the community; we must be people that continuously improve. We must improve in our character, our professionalism, working practices and most importantly our devotion to God.

#### **Valuing People.**

We believe that individuals make families, families make communities and communities make the world. It is for this reason that 'valuing people' is central to our organisation. Without people our education programmes are just bricks and mortar.

#### **Positive change**

We believe that as a team we must aspire and inspire positive change in the world around us. We believe that our projects will result in a positive change in the community and act as a catalyst for a just, responsible and compassionate society.

# **AL-NOOR FOUNDATION LIMITED**

## **TRUSTEES REPORT**

Our aim is to establish, maintain and conduct schools for the education (including social and physical training) of boys and girls, (in which religious instructions in accordance with the doctrines and principles of the Islamic faith are given), so as to be a school within the meaning of that expression as defined in The Education Act.

### **Our objectives**

Our school objectives are to provide moral and academic excellence in a caring and secure environment. We believe that through the partnership of good governance, caring and professional staff and dedicated parents we can provide a balanced opportunity for the realisation of our children's full potential.

Our values prevail through everything we do: in the moral, the academic and the professional. These values foster a responsible and caring attitude in our pupils, towards the fellow members of our community and society at large. This includes good manners and behaviour towards parents, the elderly and neighbours, as well as a deep respect and sense of duty towards the world we inhabit including the resources from which we all benefit.

Our schools provide a sound Islamic education together with the National Curriculum. Our curriculum aims to equip children with a solid foundation to prepare them for both secondary school education and their lives ahead.

Al-Noor Foundation seeks to benefit the public through the pursuit of its stated aims. For the Independent school, our fees are set at an affordable and reasonable level to ensure the financial viability of the school and at a level that is consistent with our aim of providing an excellent education to our pupils. The introduction of the Voluntary Aided School in September 2018 now means that as education is free, it really does allow us to help grow our community.

Our school welcomes pupils from all backgrounds.

An individual's economic status, gender, ethnicity, or race do not form part of our assessment processes.

The school is committed to safeguarding and promoting the welfare of our pupils and expects all staff and volunteers to share this commitment. Parents are given regular information about their children's social and academic progress through parent evenings in addition to the end of term and year reports. The school has regular weekly updates communicated about the activities of the school with parents.

### **Our Ethos and Strategy**

The Al-Noor Foundation believes that the success of our community inherently lies in the achievement of our children. We feel strongly that real academic progress is founded on a secure platform of an all-round healthy development and aided by positive role models who embody the values we aspire for our children to have.

This all-round development includes both the intellectual and physical aspect of emotional and spiritual development. We believe promoting these aspects of humanity will catalyse community cohesion, helping to create and sustain communities where all members are valued and work together for the common good.

Our aim is to promote a caring, secure and nurturing environment – instilling a strong sense of awareness of the universality of the Islamic faith. We will empower children with the desire to learn about and celebrate diversity through each other's experiences, achievements and contributions to the local community and through a focus on the common good for all.

## **AL-NOOR FOUNDATION LIMITED**

### **TRUSTEES REPORT**

**Our contribution to society and social cohesion is well recognised due to our successful work with the local authority, local schools and local community groups.**

#### **Review of Activities and Achievements**

##### **Daud Juneja steps down after 24 years**

In July 2020, the board elected Mr Imran Hafiz as the new Chair of Al-Noor Foundation, taking over from Daud Juneja. Daud Juneja oversaw the early years setup of the Foundation, growth of the team and expansion of the school from 50 pupils to the first voluntary aided Primary school in East London, with almost 400 pupils in the school.

Daud has also overseen the development of various other projects under the Al-Noor umbrella, including the Hifdh programme, Al-Noor Festival, Al-Noor Boat Race and supporting emergency relief projects in third world countries amounting to over £1m. Daud has now stepped down as a trustee of Al-Noor Foundation and the Foundation acknowledge and thank him for his great efforts and tireless dedication to this project.

#### **Educational Milestones**

Al-Noor Independent Primary School is now in its 20th year as a primary school. We have consistently provided high academic achievement coupled with a strong Islamic education. This year's education continues to be impacted by Covid-19. The impact of the continuous disruption has led to a greater challenge as the gap between the students has widened.

Despite this challenge the school's dedicated staff have performed remarkably to ensure the level of education, pastoral care and support to families has been exceptional. The school has continuously supported parents through these challenging times as many face uncertainties in their employment and housing situation due to Covid.

We have continued to prioritise the health and wellbeing of our staff and pupils and continue to invest in sanitising stations, social distance signage and additional cleaning of the premises to ensure the health and safety for those who are on site.

Staff training and online resources covering the mental wellbeing of children, domestic violence, bereavement etc, were all undertaken to prepare our staff to provide the best possible support to our students. The ethos and culture of our school became apparent during this period.

Although there are no KS1 and KS2 results, internal assessments demonstrate that children are performing well and the gap between pupils is being bridged.

#### **Navigate - the character development curriculum.**

Navigate continues to be a crucial priority of our school. Staff members are given training and support to implement Navigate and new staff members are inducted. Here are the characteristics developed in this programme.

## **AL-NOOR FOUNDATION LIMITED**

### **TRUSTEES REPORT**

|                  |           |                  |              |            |
|------------------|-----------|------------------|--------------|------------|
| <b>Reception</b> | Sincerity | Patience         | Generosity   | Etiquettes |
| <b>Year 1</b>    | Sincerity | Honesty          | Resilience   | Etiquettes |
| <b>Year 2</b>    | Sincerity | Empathy          | Courage      | Etiquettes |
| <b>Year 3</b>    | Sincerity | Gratitude        | Creativity   | Etiquettes |
| <b>Year 4</b>    | Sincerity | Taking Ownership | Communicator | Etiquettes |
| <b>Year 5</b>    | Sincerity | Modesty          | Respect      | Etiquettes |
| <b>Year 6</b>    | Sincerity | Visionary        | Contributor  | Etiquettes |

Curricular delivery is normally through the introduction of half term drop-down days when the rest of the curriculum and usual timetable is set aside to focus on development of the key characteristics through planned activities on and off site, including through the use of the outdoors. However, due to Covid, this has not been possible this academic year.

Despite the circumstances, the school continues to exude these values through all and every learning experience to re-enforce these crucial characteristics.

#### **Al-Noor Voluntary Aided School**

In 2018, Al-Noor Voluntary aided primary school opened to 120 students. Since then, we have continued to grow and currently have Reception to Year 4, with a total of 300 students. Demand for the school is exceptionally high, demonstrating the immediate high quality and standards of education the primary school has brought over from the independent sector.

The leadership of the school continues to grow to match the expansion of the pupil numbers and we have attracted a brilliant array of staff to join the school.

With Covid-19, examinations were cancelled and therefore KS1 and KS2 exams did not take place. However, our internal data showed pupils had made great strides during this academic year. Lessons took place online and we remained open throughout the pandemic supporting parents who were key workers.

The governors of the school regularly met with the head teacher to support the school in adapting to the ever-changing circumstances during this period. The school took decisive steps to ensure the safety of its pupils' and staff by creating and implementing a risk assessment and continuously reviewing this.

Leadership of the school and governors continuously monitored the situation and had to adapt to local circumstances as Redbridge became one of the most Covid impacted boroughs in London.

#### **Al-Noor Careers**

The Al-Noor Foundation believes that the success of our community inherently lies in the achievement of our children. We feel strongly that real academic progress is founded on a secure platform of an all-round healthy development and aided by positive role models who embody the values we aspire for our children to have.

## **AL-NOOR FOUNDATION LIMITED**

### **TRUSTEES REPORT**

This all-round development includes both the intellectual and physical aspect of emotional and spiritual development. We believe promoting these aspects of humanity will catalyse community cohesion, helping to create and sustain communities where all members are valued and work together for the common good.

Our scope for impact is limited to just those students who are in our school and finishes when they leave our primary school. However, we can have an amazing impact on the lives of the pupils in our school after they leave and those in our community who do not come to our school by providing them with vital services to support their education, career pathway, mentoring and mental wellbeing to help young people navigate through these challenging times and finding employment or further training opportunities whilst allowing them to hold faithfully to their beliefs.

We have 800 plus ex Al-Noor pupils ranging from 11 years old up to 24 years old. That coupled with a whole community that we have great credibility with, can provide us with an amazing platform to develop a comprehensive **careers guidance** and counselling service and make a massive impact in people's lives.

In April 2021 we provided this unique service to our Alumni. Sessions are delivered by Dr Arshad, who holds the highest-level qualification in Careers guidance and counselling - Level 6 Chartered with Institute of Careers Guidance and the Local Government Management Board (LGMB) for over 23 years.

In the short amount of time the response to the service has been immense and we've helped support students in choosing A Levels, University and securing apprenticeships. In addition we have supported many in finding employment by developing their CV's and supporting them with interview techniques.

#### **Community Milestone**

Due to Covid last year's two of our major community projects were unable to be held. This year we welcomed back the Al-Noor Family Festival. This unique event for the Redbridge community attracted over 10,000+ attendees for a fun weekend with rides, stalls and a food village all in the heart of Redbridge. An amazing event with a phenomenal attendance.

We also welcomed back the Al-Noor Boat Race. Another unique event, the boat race brings together a whole host of local charities and organisations, which this year resulted in almost 60 dragon boats taking part. This year's event supported charities in raising over £261,000 for noble and vital causes, both local and wider afield such as orphans, hungry children, womens support groups, school projects, masjid buildings, cancer patients, homeless and poor families, building water wells and so much more.

#### **Structure, Governance and Management**

The Trustees of Al-Noor Foundation hold overall responsibility under the rules for controlling the management and administration of the charity. Al-Noor Foundation Ltd is a company limited by guarantee and registered with Companies House and also with Charity Commission.

Trustees are nominated and appointed by the Board of Trustees. To be eligible, the Board of Trustees will look for those who regularly attend events and functions organised by the Foundation and show an interest in and volunteer to help out during activities. Trustees are a valuable asset for the charity because they bring an outside viewpoint and a wealth of experience and knowledge in community work.

The trustees are independent individuals who bring their knowledge, skills and expertise for the benefit of the charity. They act as a watchdog over the Charity's activities and provide constructive advice.

The management of the organisation is the responsibility of the trustees, who meet formally on regular intervals, usually monthly. The day-to-day management of different departments, such as the Independent

## AL-NOOR FOUNDATION LIMITED

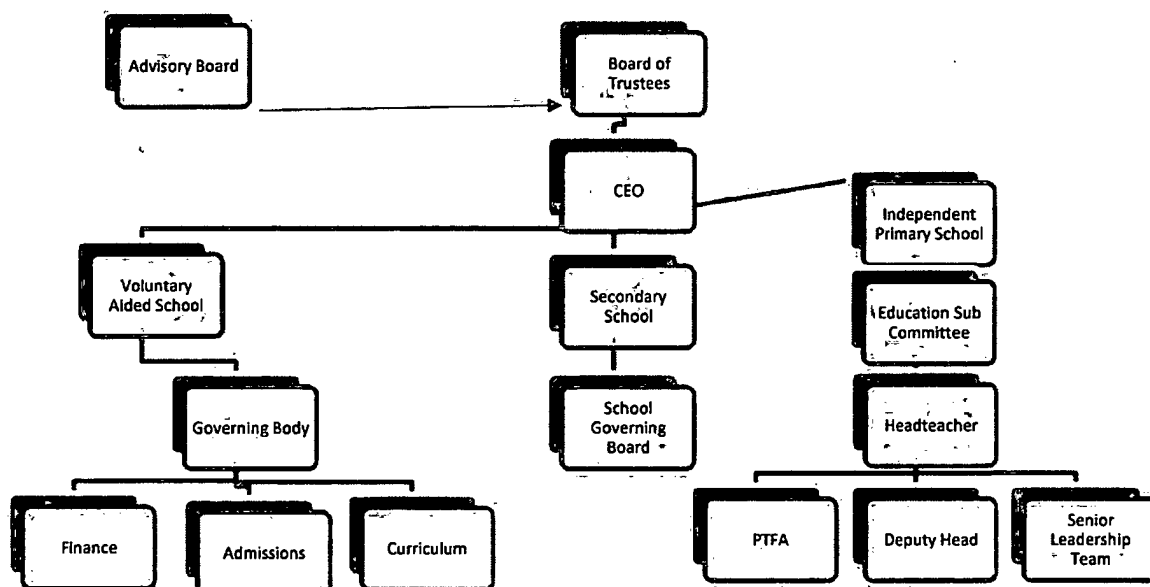
### TRUSTEES REPORT

School, is then delegated to the to their respective manager, supported by senior teachers and administrative staff.

#### Organisational Management

The trustees oversee the charity and its wider objectives of achieving its vision. In this area the board has focused on securing:

- a) The first Voluntary Aided Muslim Primary school in Redbridge. This landmark achievement opened in September 2018 with a new school being built, increasing the capacity from 180 students to 400 students. We continue to expand, and at the same time ensuring the very high standards for the school.



In taking forward our strategy we:

- Ensure the vision and values of our organisation is reflected in our primary schools
- Review and benchmark the Schools' curriculum, teaching practices and examination results
- Ensure the schools are compliant to the School Standard regulations
- Ensure the range of co-curricular activities available to our pupils is stimulating and challenging
- Invest in resources and the infrastructure of our Schools

The Board of Trustees determines the general policy of the Schools. The day-to-day running of the Schools are delegated to the Heads, supported by senior staff. The Head teacher undertakes the key leadership role overseeing educational, pastoral and administrative functions in consultation with the senior staff. The day to day administration of the school is undertaken within the policies and procedures approved by the Board which provide for only significant expenditure decisions and major capital projects to be referred to the Board for prior approval.

The trustees are clear about their responsibility of overseeing the safeguarding of children within the school. Trustees have attended level 1 safeguarding training and have attended workshops to raise awareness of Prevent (Wrap). Al-Noor Foundation is committed to building resilience to all forms of radicalisation and extremism.



# **AL-NOOR FOUNDATION LIMITED**

## **TRUSTEES REPORT**

All trustees are annually required to sign a declaration of interest form to declare affiliation to any other organisation or political party. All trustees give of their time freely and no remuneration was paid in the year.

### **Use of volunteers**

Volunteers are an important resource in both our faith and community work. Volunteers are involved in most of our faith and community activities and we have scores of dedicated people giving their time towards our activities. We are grateful to all our volunteers, who are the backbone of our successful Boat Race and Family Festival.

### **Public Benefit Statement**

The trustees confirm that they have complied with the duty under the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit. This has been considered when reviewing the aims and objectives of Al-Noor Foundation and in planning activities for the future. In particular, the trustees consider how planned activities will contribute to the charitable objectives they have set. Specific details of how Al-Noor meets these requirements are set out below.

The Trustees have considered this matter and concluded: That the aims and objectives of the charity continue to be charitable; That the aims and the work done give identifiable benefits to the charitable sector and both directly and indirectly to individuals in need; That the benefits are for the public and are not unreasonably restricted in any way; and that there is no detriment or harm arising from the aims or activities. Overall, the trustees consider that the strategies, aims and activities of the Charity to be for the public benefit.

### **Financial review**

#### **Principal funding sources and project**

The charity's main source of revenue is fundraising from the local community. The purchase of the Newton Industrial Estate for £4.4m, and the subsequent relocation of the primary school for £420,000 has meant that the Board has focused on continuously raising funds to help keep up its repayments. A significant proportion of funds raised are via interest-free loans from the community.

Since purchasing the Newton Industrial Estate, we have managed to ensure that we have maintained repayment requests from those who have given us interest free loans. In the past three years we have returned over £4.5m of loans, by raising a similar amount to ensure we maintain an overall loan amount of £4.3m.

The loans we have undertaken have been strategically calculated and come from over 600 people and organisations, all of which have varying timescales of return. All of the loans are interest free and provide the charity with time to continue fundraising, and other revenue sources to ensure we can keep up with repayment.

The Newton Industrial Estate generates rental income for the Foundation, helping with the delivery of the charities aims and objectives.

Additional funds are obtained from charging tuition fees to parents of pupils attending the Independent Primary School. These funds are ringfenced and used entirely to support the running of the Independent primary school.

## **AL-NOOR FOUNDATION LIMITED**

### **TRUSTEES REPORT**

The Trustees acknowledge that Foundation has been in a net expenditure position for a further year. Despite the pandemic, the Trustees have wanted to ensure that all services continue as far as possible in order to continue to positively impact the community as a whole. Therefore, the Trustees have allowed for reserves to help meet the shortfall.

#### **Risk Management**

The Trustees assess all major risks to which the charity is exposed and review the systems and procedures established to manage those risks. The major risks are considered to be:

- Covid implications for all our organisation especially safety of our staff, quality and impact on education, fundraising and revenue generation projects.
- The ethos and vision of the organisation as we grow.
- Financial debt whilst we manage the loan repayment.

#### **Plans for future periods**

Al-Noor Foundation intends to focus upon the breadth and depth of its education of young people. We are this year to focus upon our three major projects that impact the community, fulfilling upon our mission where young people and organisations achieve their potential with knowledge, skills and experiences through its education programmes and services to create a positive change. Our three projects are:

1. Al-Noor VA Primary school – To continue to support its growth and to strengthen the school to deepen its impact morally, academically and especially spiritually.
2. To expand and develop the Al-Noor careers project, thereby making a real impact in young people's lives.
3. To develop the Navigate programme so that it can be delivered to other schools and institutes, helping them to replicate the success of our primary school.

#### **Impact of Covid 19 on Going Concern**

Our organisation has been impacted by the Pandemic as most of the charitable organisations did. We have adopted various approaches to minimise its risks and currently with the new measures exercised by the Government, we were able to operate at our maximum capacity and hence generated sufficient income and resources to carry out our activities for the next twelve months.

As a result of this, the Board of Trustees confirmed that we should be able to operate as a going concern.

**AL-NOOR FOUNDATION LIMITED**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, the Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**Recruitment and appointment of new trustees**

The existing trustees are responsible for the recruitment of new trustees. In selecting new trustees, we seek to identify people who are committed individuals whose views are aligned to the charity's vision in addition to being able to offer relevant skills and experience.

Potential trustees are invited to attend trustees' meetings to meet the trustees and have an informal interview and are given more details about the charity's aims and activities and, if all agree, they are then proposed as new trustees as the subsequent trustees' meeting. This process allows due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

**Public Benefit**

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

03303521 (England and Wales)

**Registered Charity number**

1061120

**Registered office**

Newton Industrial Estate  
Eastern Avenue  
Romford  
Essex  
RM6 5SD

**Trustees**

- 1) Mr Daud Juneja – Resigned on 10<sup>th</sup> June 2020
- 2) Mr Imran Hafiz - **Chair**
- 3) Mr Imran Khan
- 4) Mr Khalil Rehman – Resigned on 29<sup>th</sup> Dec 2020
- 5) Mr Muhammed Ilyas Mirza
- 6) Mr Sadiq Yakub Kothia - **Deputy Chair**
- 7) Mr Zulfiqar Ahmed

**All the trustees are also directors of the Charity.**

**Company Secretary**

Mr Imran Khan

**AL-NOOR FOUNDATION LIMITED**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Senior Statutory Auditor**

Anwer Patel BA(Hons), FCA, BFP

**Auditors**

Prestons & Jacksons Partnership LLP

Statutory Auditors

364 - 368 Cranbrook Road

Ilford

Essex

IG2 6HY

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Al-Noor Foundation Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The auditors, Prestons & Jacksons Partnership LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**AL-NOOR FOUNDATION LIMITED**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..... 09/05/22 ..... and signed on the board's behalf by:

.....  
Trustee / Director: Mr Imran Hafiz

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AL-NOOR FOUNDATION LIMITED**

### **Opinion**

We have audited the financial statements of Al-Noor Foundation Limited (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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**

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.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AL-NOOR FOUNDATION LIMITED**

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF AL-NOOR FOUNDATION LIMITED**

### **Our responsibilities for the audit of the financial statements**

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 a Report of the Independent Auditors 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 framework applicable to the entity and how the entity is complying with that framework by discussing with management and checking compliance with regulators.

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 Report of the Independent Auditors.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A. PATEL

Anwer Patel BA(Hons), BFP, FCA  
(Senior Statutory Auditor)  
for and on behalf of Prestons & Jacksons Partnership LLP  
Statutory Auditors  
364 - 368 Cranbrook Road  
Ilford  
Essex  
IG2 6HY

Date: 10/05/2022



**AL-NOOR FOUNDATION LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021**

|                                    | Notes | Unrestricted<br>fund<br>£ | Restricted<br>fund<br>£ | 31.8.21<br>Total<br>funds<br>£ | 31.8.20<br>Total<br>funds<br>£ |
|------------------------------------|-------|---------------------------|-------------------------|--------------------------------|--------------------------------|
| <b>INCOME FROM</b>                 |       |                           |                         |                                |                                |
| Donations                          | 2     | 211,156                   | -                       | 211,156                        | 54,391                         |
| <b>Charitable activities</b>       | 5     |                           |                         |                                |                                |
| Education                          |       | 315,732                   | -                       | 315,732                        | 465,426                        |
| Other Charitable Activities        | 3     | 21,340                    | -                       | 21,340                         | 24,357                         |
| Investment income                  | 4     | 210,194                   | -                       | 210,194                        | 274,739                        |
| <b>Total</b>                       |       | <b>758,422</b>            | <b>-</b>                | <b>758,422</b>                 | <b>818,913</b>                 |
| <b>EXPENDITURE ON</b>              |       |                           |                         |                                |                                |
| Raising funds                      | 6     | 59,795                    | -                       | 59,795                         | 35,098                         |
| <b>Charitable activities</b>       | 7     |                           |                         |                                |                                |
| Foundation                         |       | 459,055                   | -                       | 459,055                        | 437,824                        |
| Education                          |       | 318,328                   | -                       | 318,328                        | 415,096                        |
| <b>Total</b>                       |       | <b>837,178</b>            | <b>-</b>                | <b>837,178</b>                 | <b>888,018</b>                 |
| <b>NET INCOME/(EXPENDITURE)</b>    |       | <b>(78,756)</b>           | <b>-</b>                | <b>(78,756)</b>                | <b>(69,105)</b>                |
| <b>RECONCILIATION OF FUNDS</b>     |       |                           |                         |                                |                                |
| <b>Total funds brought forward</b> |       | <b>9,828,550</b>          | <b>20,522</b>           | <b>9,849,072</b>               | <b>9,918,177</b>               |
| <b>TOTAL FUNDS CARRIED FORWARD</b> |       | <b>9,749,794</b>          | <b>20,522</b>           | <b>9,770,316</b>               | <b>9,849,072</b>               |

The notes form part of these financial statements

**AL-NOOR FOUNDATION LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**31 AUGUST 2021**

|  | Notes | Unrestricted<br>fund<br>£ | Restricted<br>fund<br>£ | 31.8.21<br>Total<br>funds<br>£ | 31.8.20<br>Total<br>funds<br>£ |
|--|-------|---------------------------|-------------------------|--------------------------------|--------------------------------|
| <b>FIXED ASSETS</b>                          |       |                           |                         |                                |                                |
| Tangible assets                              | 14    | 8,453,166                 | -                       | 8,453,166                      | 8,654,238                      |
| <b>Investments</b>                           |       |                           |                         |                                |                                |
| Investments                                  | 15    | -                         | -                       | -                              | 100                            |
| Investment property                          | 16    | <u>5,000,000</u>          | <u>-</u>                | <u>5,000,000</u>               | <u>5,000,000</u>               |
|  |       | 13,453,166                | -                       | 13,453,166                     | 13,654,338                     |
| <b>CURRENT ASSETS</b>                        |       |                           |                         |                                |                                |
| Debtors                                      | 17    | 171,385                   | -                       | 171,385                        | 110,719                        |
| Cash at bank and in hand                     |       | <u>339,775</u>            | <u>20,522</u>           | <u>360,297</u>                 | <u>881,934</u>                 |
|  |       | 511,160                   | 20,522                  | 531,682                        | 992,653                        |
| <b>CREDITORS</b>                             |       |                           |                         |                                |                                |
| Amounts falling due within one year          | 18    | <u>(4,214,532)</u>        | <u>-</u>                | <u>(4,214,532)</u>             | <u>(4,797,919)</u>             |
| <b>NET CURRENT ASSETS</b>                    |       | <u>(3,703,372)</u>        | <u>20,522</u>           | <u>(3,682,850)</u>             | <u>(3,805,266)</u>             |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | <u>9,749,794</u>          | <u>20,522</u>           | <u>9,770,316</u>               | <u>9,849,072</u>               |
| <b>NET ASSETS</b>                            |       | <u>9,749,794</u>          | <u>20,522</u>           | <u>9,770,316</u>               | <u>9,849,072</u>               |

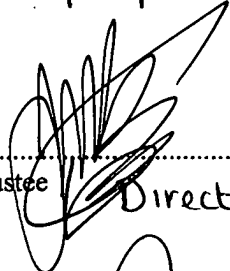
The notes form part of these financial statements

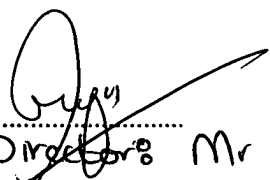
# AL-NOOR FOUNDATION LIMITED


## STATEMENT OF FINANCIAL POSITION - continued 31 AUGUST 2021

| FUNDS              | 19 |                         |                         |
|--------------------|----|-------------------------|-------------------------|
| Unrestricted funds |    | 9,749,794               | 9,828,550               |
| Restricted funds   |    | <u>20,522</u>           | <u>20,522</u>           |
| <b>TOTAL FUNDS</b> |    | <u><b>9,770,316</b></u> | <u><b>9,849,072</b></u> |

The financial statements were approved by the Board of Trustees and authorised for issue on 09/05/22 and were signed on its behalf by:

  
Trustee | Director: Mr Imran Hafiz

  
Trustee | Director: Mr Sadique Kothia

  
Trustee | Director: Mr Zulfikar Ahmed

The notes form part of these financial statements

**AL-NOOR FOUNDATION LIMITED**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2021**

|   | Notes | 31.8.21<br>£          | 31.8.20<br>£          |
|---|-------|-----------------------|-----------------------|
| <b>Cash flows from operating activities</b>                               |       |                       |                       |
| Cash generated from operations  | 1     | <u>(539,837)</u>      | <u>392,314</u>        |
| Net cash (used in)/provided by operating activities                       |       | <u>(539,837)</u>      | <u>392,314</u>        |
| <b>Cash flows from investing activities</b>                               |       |                       |                       |
| Sale of tangible fixed assets   |       | 18,000                | 39,500                |
| Sale of fixed asset investments   |       | <u>200</u>            | <u>-</u>              |
| Net cash provided by investing activities                                 |       | <u>18,200</u>         | <u>39,500</u>         |
| <b>Change in cash and cash equivalents in the reporting period</b>        |       | <u>(521,637)</u>      | <u>431,814</u>        |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> |       | <u>881,934</u>        | <u>450,120</u>        |
| <b>Cash and cash equivalents at the end of the reporting period</b>       |       | <u><u>360,297</u></u> | <u><u>881,934</u></u> |

The notes form part of these financial statements

# AL-NOOR FOUNDATION LIMITED

## NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2021

### 1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

|   | 31.8.21<br>£     | 31.8.20<br>£   |
|---|------------------|----------------|
| Net expenditure for the reporting period (as per the Statement of Financial Activities) | (78,756)         | (69,105)       |
| Adjustments for:  |                  |                |
| Depreciation charges  | 171,072          | 171,430        |
| Losses on investments   | (100)            | -              |
| Loss on disposal of fixed assets  | 12,000           | -              |
| Increase in debtors   | (60,666)         | (3,156)        |
| (Decrease)/increase in creditors  | (583,387)        | 293,145        |
| Net cash (used in)/provided by operations   | <u>(539,837)</u> | <u>392,314</u> |

### 2. ANALYSIS OF CHANGES IN NET FUNDS

|                          | At 1/9/20<br>£ | Cash flow<br>£   | At 31/8/21<br>£ |
|--------------------------|----------------|------------------|-----------------|
| Net cash                 |                |                  |                 |
| Cash at bank and in hand | <u>881,934</u> | <u>(521,637)</u> | <u>360,297</u>  |
|                          | <u>881,934</u> | <u>(521,637)</u> | <u>360,297</u>  |
| Total                    | <u>881,934</u> | <u>(521,637)</u> | <u>360,297</u>  |

The notes form part of these financial statements

## **AL-NOOR FOUNDATION LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**

#### **1. ACCOUNTING POLICIES**

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The charity had a subsidiary which was considered immaterial and has not been trading. Therefore, consolidated accounts have not been prepared.

##### **Going concern policy**

The trustees are confident that they have ongoing support from funders and partners to maintain their charity's operations for the next twelve months. The impact of Covid-19 has been considered by the trustees. The charity has therefore been able to limit the impact of Covid-19. It is for these reasons the accounts have been prepared on a going concern basis.

At the Balance Sheet date, the charity has net current liabilities of £3.7 million (2020: £3.8 million). This is because Qardh Hasana- interest free loans- have been included in creditors within one year.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether "capital" grants or "revenue" grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance is deferred until the criteria for income recognition are met.

Donated facilities is recognised at its estimated market value.

Income from School Fees is recognised on an accrual basis.

Rental income is accounted for on a receivable basis.

##### **Expenditure**

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

## **AL-NOOR FOUNDATION LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021**

#### **1. ACCOUNTING POLICIES - continued**

##### **Allocation and apportionment of costs and irrecoverable vat**

In particular the policy for including items within costs of generating funds, charitable activities and governance costs is:

##### **Charitable activities**

Charitable expenditure shall include all expenditure directly related to the objects of the charity.

##### **Governance costs**

Governance costs shall include all expenditure directly related to the administration of the charity including expenditure incurred in the management of the charity's assets, organisational administration and compliance with charitable and statutory requirements.

##### **Allocation of costs within types of resources expended**

The methods and principles for the allocation and apportionment of all costs between the different activity categories of resources set out above are based on the test of whether a cost directly contributes to the particular related source of income. Such identifiable costs are apportioned to the specific activity, whereas all other costs are allocated to support costs of charitable activities.

Resources expended include attributable VAT which cannot be recovered.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

|                       |                           |
|-----------------------|---------------------------|
| Freehold property     | - 2% on cost              |
| Plant and machinery   | - 25% on reducing balance |
| Fixtures and fittings | - 25% on reducing balance |

Land is not depreciated and No depreciation is charged in the year of acquisition.

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the costs of assets less their residual value over their estimated useful lives, using either a straight line or reducing balance method, as indicated below.

##### **Donated facilities capitalised as Tangible fixed assets**

Facilities and Services donated for on-going use by a charity in carrying out its activities are recognised as tangible fixed assets with the corresponding gain recognised as income from donations within the SOFA.

##### **Investment property**

Investment property is stated at its fair valuation. Any aggregate surplus or deficit arising from changes in fair value is transferred to an unrealised revaluation gain.

## **AL-NOOR FOUNDATION LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021**

#### **1. ACCOUNTING POLICIES - continued**

##### **Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

##### **Debtors**

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

##### **Creditors**

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

##### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

##### **Donated goods, facilities and services.**

Donated facilities and services are recognised as income when control over the expected economic benefits that flow from the donation has passed to the charity and any performance-related conditions attached have been fully met; it is more likely that the economic benefits associated with the donated item has flown to the charity and the fair value can be measured reliably.

##### **Winding up or dissolution of the charity**

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

##### **Qardh Hasana**

Qardh Hasana - These are interest free loans provided by the community and supporters of the charity. Whilst extended payment terms can be agreed, they are repayable on demand.



# AL-NOOR FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

### 2. DONATIONS

|                   | 31.8.21        | 31.8.20       |
|-------------------|----------------|---------------|
|                   | £              | £             |
| Foundation Income | <u>211,156</u> | <u>54,391</u> |

### 3. OTHER CHARITABLE ACTIVITIES

|                              | 31.8.21       | 31.8.20       |
|------------------------------|---------------|---------------|
|                              | £             | £             |
| Other Fundraising Activities | 17,396        | 24,357        |
| Gift aid from HMRC           | <u>3,944</u>  | <u>-</u>      |
|                              | <u>21,340</u> | <u>24,357</u> |

### 4. INVESTMENT INCOME

|                                 | 31.8.21        | 31.8.20        |
|---------------------------------|----------------|----------------|
|                                 | £              | £              |
| Rents receivable                | 210,294        | 274,739        |
| Loss on write off of Investment | <u>(100)</u>   | <u>-</u>       |
|                                 | <u>210,194</u> | <u>274,739</u> |

### 5. INCOME FROM CHARITABLE ACTIVITIES

|                      | Activity  | 31.8.21        | 31.8.20        |
|----------------------|-----------|----------------|----------------|
|                      |           | £              | £              |
| Other Primary School |           |                |                |
| Income               | Education | 34,095         | 50,304         |
| Fees Receivable      | Education | <u>281,637</u> | <u>415,122</u> |
|                      |           | <u>315,732</u> | <u>465,426</u> |

# AL-NOOR FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

### 6. RAISING FUNDS

#### Raising donations and legacies

|                            |               |               |
|----------------------------|---------------|---------------|
|                            | 31.8.21       | 31.8.20       |
|                            | £             | £             |
| General Fundraising Events | <u>59,795</u> | <u>35,098</u> |

### 7. CHARITABLE ACTIVITIES COSTS

|            | Direct<br>Costs<br>£ | Support<br>costs (see<br>note 8)<br>£ | Totals<br>£    |
|------------|----------------------|---------------------------------------|----------------|
| Foundation | 434,953              | 24,102                                | 459,055        |
| Education  | <u>309,482</u>       | <u>8,846</u>                          | <u>318,328</u> |
|            | <u>744,435</u>       | <u>32,948</u>                         | <u>777,383</u> |

### 8. SUPPORT COSTS

|            | Management<br>£ | Finance<br>£  | Other<br>£   | Governance<br>costs<br>£ | Totals<br>£   |
|------------|-----------------|---------------|--------------|--------------------------|---------------|
| Foundation | 453             | 16,949        | -            | 6,700                    | 24,102        |
| Education  | <u>653</u>      | <u>4,424</u>  | <u>1,537</u> | <u>2,232</u>             | <u>8,846</u>  |
|            | <u>1,106</u>    | <u>21,373</u> | <u>1,537</u> | <u>8,932</u>             | <u>32,948</u> |

### 9. NET INCOME/(EXPENDITURE)

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

|   |               |          |
|---|---------------|----------|
|   | 31.8.21       | 31.8.20  |
|   | £             | £        |
| Auditors' remuneration                    | 6,736         | 5,700    |
| Auditors' remuneration for non audit work | 2,196         | 2,476    |
| Depreciation - owned assets               | 171,072       | 171,430  |
| Deficit on disposal of fixed assets       | <u>12,000</u> | <u>-</u> |

# AL-NOOR FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

### 10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

#### Trustees' expenses

|                    |         |         |
|--------------------|---------|---------|
|                    | 31.8.21 | 31.8.20 |
|                    | £       | £       |
| Trustees' expenses | -       | 1,349   |

### 11. STAFF COSTS

|                     |                |                |
|---------------------|----------------|----------------|
|                     | 31.8.21        | 31.8.20        |
|                     | £              | £              |
| Wages and salaries  | 323,940        | 399,298        |
| Other pension costs | 5,061          | 4,437          |
|                     | <u>329,001</u> | <u>403,735</u> |

The average monthly number of employees during the year was as follows:

|                                  |           |           |
|----------------------------------|-----------|-----------|
|                                  | 31.8.21   | 31.8.20   |
| Engaged on Charitable Activities | 28        | 29        |
| Engaged on Management            | 1         | 1         |
|                                  | <u>29</u> | <u>30</u> |

No employees received emoluments in excess of £60,000.

### 12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES 31 AUG 2020

|                              | Unrestricted<br>fund<br>£ | Restricted<br>fund<br>£ | Total<br>funds<br>£ |
|------------------------------|---------------------------|-------------------------|---------------------|
| <b>INCOME FROM</b>           |                           |                         |                     |
| Donations                    | 54,391                    | -                       | 54,391              |
| <b>Charitable activities</b> |                           |                         |                     |
| Education                    | 465,426                   | -                       | 465,426             |
| Other Charitable Activities  | 24,357                    | -                       | 24,357              |
| Investment income            | <u>274,739</u>            | <u>-</u>                | <u>274,739</u>      |
| <b>Total</b>                 | <b>818,913</b>            | <b>-</b>                | <b>818,913</b>      |

**AL-NOOR FOUNDATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES 31 AUG 2020 - continued**

|                                    | Unrestricted     | Restricted    | Total            |
|------------------------------------|------------------|---------------|------------------|
| <b>EXPENDITURE ON</b>              |                  |               |                  |
|                                    | fund             | fund          | funds            |
|                                    | £                | £             | £                |
| Raising funds                      | 35,098           | -             | 35,098           |
| <b>Charitable activities</b>       |                  |               |                  |
| Foundation                         | 437,824          | -             | 437,824          |
| Education                          | 415,096          | -             | 415,096          |
|                                    | <hr/>            | <hr/>         | <hr/>            |
| <b>Total</b>                       | 888,018          | -             | 888,018          |
|                                    | <hr/>            | <hr/>         | <hr/>            |
| <b>NET INCOME/(EXPENDITURE)</b>    | (69,105)         | -             | (69,105)         |
|                                    | <hr/>            | <hr/>         | <hr/>            |
| <b>RECONCILIATION OF FUNDS</b>     |                  |               |                  |
| Total funds brought forward        | 9,897,655        | 20,522        | 9,918,177        |
|                                    | <hr/>            | <hr/>         | <hr/>            |
| <b>TOTAL FUNDS CARRIED FORWARD</b> | <u>9,828,550</u> | <u>20,522</u> | <u>9,849,072</u> |

**13. KEY MANAGEMENT PERSONNEL**

The Key Management Personnel comprises of the Board of Trustees and the Chief Executive Officer whose remuneration amounted to £50,417 in the year. (2020: £50,000)

**AL-NOOR FOUNDATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**14. TANGIBLE FIXED ASSETS**

|                        | Freehold<br>property<br>£ | Plant and<br>machinery<br>£ | Fixtures<br>and<br>fittings<br>£ | Totals<br>£      |
|------------------------|---------------------------|-----------------------------|----------------------------------|------------------|
| <b>COST</b>            |                           |                             |                                  |                  |
| At 1 September 2020    | 8,959,950                 | 50,000                      | 7,624                            | 9,017,574        |
| Disposals              | -                         | (50,000)                    | -                                | (50,000)         |
| At 31 August 2021      | <u>8,959,950</u>          | <u>-</u>                    | <u>7,624</u>                     | <u>8,967,574</u> |
| <b>DEPRECIATION</b>    |                           |                             |                                  |                  |
| At 1 September 2020    | 340,000                   | 20,000                      | 3,336                            | 363,336          |
| Charge for year        | 170,000                   | -                           | 1,072                            | 171,072          |
| Eliminated on disposal | -                         | (20,000)                    | -                                | (20,000)         |
| At 31 August 2021      | <u>510,000</u>            | <u>-</u>                    | <u>4,408</u>                     | <u>514,408</u>   |
| <b>NET BOOK VALUE</b>  |                           |                             |                                  |                  |
| At 31 August 2021      | <u>8,449,950</u>          | <u>-</u>                    | <u>3,216</u>                     | <u>8,453,166</u> |
| At 31 August 2020      | <u>8,619,950</u>          | <u>30,000</u>               | <u>4,288</u>                     | <u>8,654,238</u> |

Donated Facilities were measured at their fair value which was derived from the cost of construction of the building at £8.5 million.

**15. FIXED ASSET INVESTMENTS**

**Subsidiary:**  
ANCI LIMITED

**Nature of Business:**  
Other Business Support Service Activities

|                              |                  |
|------------------------------|------------------|
| <b>Class of shares:</b>      | <b>% holding</b> |
| Ordinary - shares of £1 each | 100              |

|                                 |                 |
|---------------------------------|-----------------|
|                                 | <b>31.03.20</b> |
| Aggregate Capital and Reserves: | (£1,820)        |

ANCI Ltd has been struck off on 22nd January 2021 and dissolved on 20th April 2021.

# AL-NOOR FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

### 16. INVESTMENT PROPERTY

#### FAIR VALUE

At 1 September 2020  
and 31 August 2021

£

5,000,000

#### NET BOOK VALUE

At 31 August 2021

5,000,000

At 31 August 2020

5,000,000

Under FRS 102, the fair value of the investment property was based on the fair value by a valuer. The changes in the fair value is recognised in the Statement of Financial Activities.

### 17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                | 31.8.21        | 31.8.20        |
|--------------------------------|----------------|----------------|
|                                | £              | £              |
| Trade debtors                  | 80,044         | 51,025         |
| Other debtors                  | -              | 36,901         |
| Prepayments and accrued income | <u>91,341</u>  | <u>22,793</u>  |
|                                | <u>171,385</u> | <u>110,719</u> |

### 18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                 | 31.8.21          | 31.8.20          |
|---------------------------------|------------------|------------------|
|                                 | £                | £                |
| Trade creditors                 | 43,533           | 32,115           |
| Social security and other taxes | 7,563            | 5,148            |
| VAT                             | 38,396           | 35,656           |
| Other creditors                 | 3,985,970        | 4,523,379        |
| Accruals and deferred income    | 108,142          | 172,356          |
| Accrued expenses                | <u>30,928</u>    | <u>29,265</u>    |
|                                 | <u>4,214,532</u> | <u>4,797,919</u> |

Other Creditors included concessionary Interest Free Loans of £3,904,097 (2020: £4,391,401) also known as Qardh Hasana Loans received from the community and supporters. Some of the larger loans have been secured on the investment property and part of the school building. The charity has applied section 21.26 of the charity SORP in recognising and measuring the loan at the carrying amount adjusted in subsequent years to reflect repayment and any impairments.

Also, included as part of Other Creditors, were refundable student deposits of £52,000 (2020: £78,750).

# AL-NOOR FOUNDATION LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

### 19. MOVEMENT IN FUNDS

|                           | At 1/9/20<br>£   | Net<br>movement<br>in funds<br>£ | At<br>31/8/21<br>£ |
|---------------------------|------------------|----------------------------------|--------------------|
| <b>Unrestricted funds</b> |                  |                                  |                    |
| General fund              | 9,828,550        | (78,756)                         | 9,749,794          |
| <b>Restricted funds</b>   |                  |                                  |                    |
| Restricted Funds          | 20,522           | -                                | 20,522             |
| <b>TOTAL FUNDS</b>        | <u>9,849,072</u> | <u>(78,756)</u>                  | <u>9,770,316</u>   |

Restricted Funds carried forward consisted of funds for the Syrian Refugee Programme.

Net movement in funds, included in the above are as follows:

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                           |
| General fund              | 758,422                    | (837,178)                  | (78,756)                  |
| <b>TOTAL FUNDS</b>        | <u>758,422</u>             | <u>(837,178)</u>           | <u>(78,756)</u>           |

### Comparatives for movement in funds

|                           | At 1/9/19<br>£   | Net<br>movement<br>in funds<br>£ | At<br>31/8/20<br>£ |
|---------------------------|------------------|----------------------------------|--------------------|
| <b>Unrestricted funds</b> |                  |                                  |                    |
| General fund              | 9,897,655        | (69,105)                         | 9,828,550          |
| <b>Restricted funds</b>   |                  |                                  |                    |
| Restricted Funds          | 20,522           | -                                | 20,522             |
| <b>TOTAL FUNDS</b>        | <u>9,918,177</u> | <u>(69,105)</u>                  | <u>9,849,072</u>   |

**AL-NOOR FOUNDATION LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2021**

**19. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

|                           | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Movement<br>in funds<br>£ |
|---------------------------|----------------------------|----------------------------|---------------------------|
| <b>Unrestricted funds</b> |                            |                            |                           |
| General fund              | 818,913                    | (888,018)                  | (69,105)                  |
|                           | <hr/>                      | <hr/>                      | <hr/>                     |
| <b>TOTAL FUNDS</b>        | <u>818,913</u>             | <u>(888,018)</u>           | <u>(69,105)</u>           |

**20. RELATED PARTY DISCLOSURES**

1) As at Balance Sheet date, the charity has interest free loans totalling £834,018 (2020: £740,462) from related members of the Board. The purpose of the loans was to aid in the running of the charitable activities carried out by the company.

2) During the year, the Trustees donated £1,490 (2020: £2,890) to the organisation.

**21. SHARE CAPITAL**

The charity is incorporated under the Companies Acts and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding ten pound as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.