

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

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023
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

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AL-NOOR FOUNDATION LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

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 December 2023. 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).

OBJECTIVES AND ACTIVITIES

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.

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.

Organisational structure

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 at the subsequent trustees' meeting.

This process allows due consideration of the person's eligibility, personal competence, specialist knowledge and skills.

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

AL- NOOR FOUNDATION LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

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 a 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 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.

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.

AL- NOOR FOUNDATION LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

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 a 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.

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 end of 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 coupled with a strong family unit. 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.

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.

AL- NOOR FOUNDATION LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2023

Review of Activities and Achievements

Educational Milestones

Al-Noor Independent Primary School this year had its final cohort. Almost 600 students have graduated from Al-Noor Independent Primary School, from when we started with just reception and Year 1 back in 2002. This year we said farewell to our last cohort in the Independent school.

As evident from our KS1 and KS2 results, internal assessments demonstrate that children are performing exceptionally well.

Al-Noor Primary School

Key Stage Two Results 2023

The expected standard on a test is a scaled score of 100. Scores of 110 or higher are considered to be above Expected Standard and at 'Greater Depth'. The expected standards on subjects that are 'teacher assessed' are set out in the DfE's assessment framework.

AL-NOOR FOUNDATION LIMITED

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2023

		% Expected Standard (scaled score 100 or higher)							% High Score (scaled score 110 or higher)								
		AL-NOOR PRIMARY						National	Redbridge	AL-NOOR PRIMARY						National	Redbridge
		2023	2022	2019	2018	2017	2016	2023	2022*	2023	2022	2019	2018	2017	2016	2023*	2022*
Reading	83	100	80	89	85	81	73	82		38	41	36	58	35	23	27	35

Grammar, Punctuation & Spelling	93	100	96	100	95	88	72	83	55	63	36	53	55	31	36	44
Maths	90	100	96	100	90	96	73	82	55	63	32	47	30	31	27	38
Writing ¹	83	68	84	79	85	50	71	80	21	14	16	16	45	15	20	15
Science ²	90	82	88	79	100	92	80	83	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reading, Writing & Maths ³	76	68	72	74	80	46	59	71	17	32	12	0	20	8	11	10

AL-NOOR FOUNDATION LIMITED
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FOR THE YEAR ENDED 31 DECEMBER 2023

Average Scaled Score									
AL-NOOR PRIMARY									
	2023	2022	2019	2018	2017	2016	National 2023	Redbridge 2022*	
Reading	107	110	106	109	107.2	109	105	107	
Grammar, Punctuation Spelling & 110	113	108	111	110.85	107	105	108		
Maths	109	111	108	106.45	107	104	107		

*Results for 2023 in these areas have not yet been published.

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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.

Reception	Sincerity	Patience	Generosity	Etiquettes
Year 1	Sincerity	Honesty	Resilience	Etiquettes
Year 2	Sincerity	Empathy	Courage	Etiquettes
Year 3	Sincerity	Gratitude	Creativity	Etiquettes
Year 4	Sincerity	Taking Ownership	Communicator	Etiquettes
Year 5	Sincerity	Modesty	Respect	Etiquettes
Year 6	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.

The school continues to work 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 a complete cohort, from Reception to Year 6, with a total of 420 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.

<https://www.mirror.co.uk/news/uk-news/interactive-map-shows-most-oversubscribed-31884418>

"Official data shows that nearly three in four parents didn't get their first choice of a place at England's most oversubscribed primary school, Al-Noor Voluntary Aided Muslim Primary School in Redbridge last year. In the last round of applications, 217 parents put the school as their first choice of primary..."

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.

Community Milestone

This year's Al-Noor Family Festival was a big hit. This unique event for the Redbridge community attracted over 7,500+ attendees for a fun weekend with rides, stalls and a food village all in the heart of Redbridge. An amazing event with phenomenal attendance.

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Our other flagship event, the Al-Noor Boat Race, resulted in almost 60 dragon boats taking part. This year's event supported charities in raising over £462,547 for noble and vital causes, both local and wider afield such as orphans, hungry children, women's 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.

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.

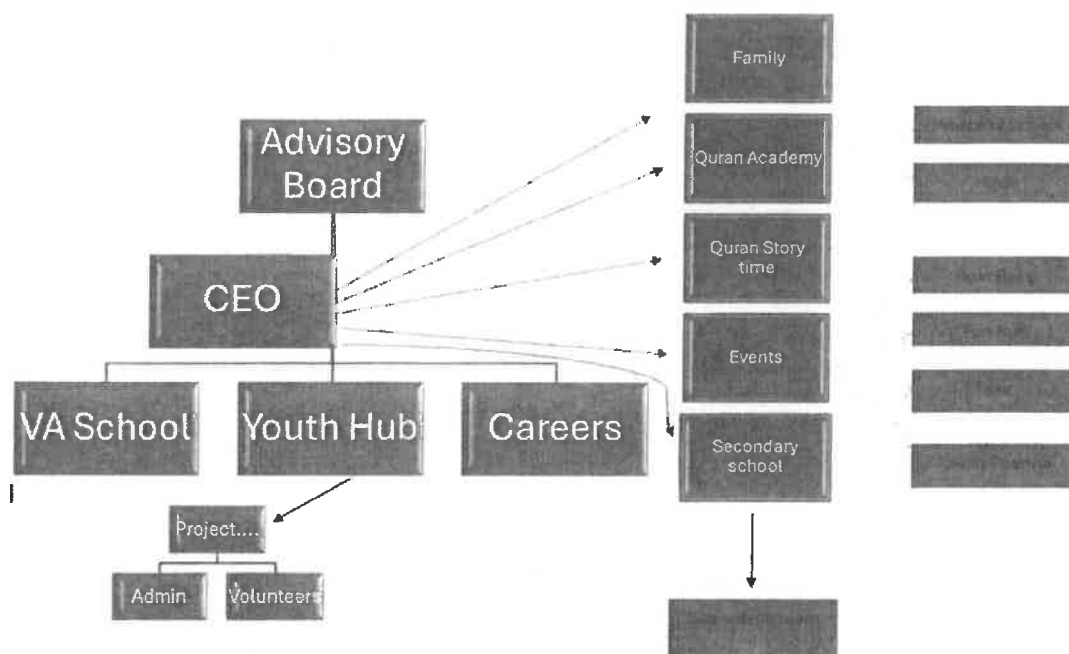
The management of the organisation is the responsibility of the trustees, who meet formally on regular intervals, usually monthly. The day-to-day management of different departments, such as the Independent School, is then delegated to the respective manager, supported by senior teachers and administrative 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 420 students. We continue to expand, and at the same time ensure very high standards for the school.

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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 determines the general policy of the Schools. The day-to-day running of the school is 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.

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.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Risk Management

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

- The ethos and vision of the organisation as we grow.
- Sustaining the Islamic & Qur'anic Studies department in the VA Primary School
- Successful development and delivery of the Newton Industrial Estate development

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 the strategies, aims and activities of the Charity to be for the public benefit.

Financial review

Principal funding sources

The financial statements show net expenditure for the year of £418,461 (2022: net incoming resources £2,064,962).

The charity's main source of revenue is fundraising from the local community, with 68% of income represented by donations, fundraising activities and associated Gift Aid. Income arising from school fees represents only 19% of total income. These funds are ring fenced and used entirely to support the running of the Independent primary school. However, this income has now ceased following conclusion of the Independent School in August 2023.

Another significant source of income is The Newton Industrial Estate, originally purchased for £4.4m with the help of interest-free loans from the community. The Board took the decision in 2022 to source a partner to purchase 50% of the Newton Industrial Estate site. This partnership, now completed, has enabled Al-Noor to have sufficient funds to assist to pay back its loans, which now stand at approximately £2.3m, and create an impactful revenue stream (waqf) for Al-Noor foundation by looking at converting the Newton Industrial Estate into a new residential/ commercial complex, providing a regular income stream.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

We have continued to ensure that we have maintained repayment requests from those who have given us interest free loans. In addition, during the reporting year, the Board agreed to support East London Mosque with their renovation programme with a short-term loan of £1m. The loan was interest free and secured with a charge over property. The loan was repaid in full after the year end.

The Newton Industrial Estate partnership currently generates rental income for the Foundation, helping with the delivery of the charity's aims and objectives.

Reserves

The Trustees note that 2022 was an exceptional year, in that incoming resources were £2,064,962 following the part disposal of Newton Industrial Estate. The Trustees anticipated that in addition to potential investment activities, they would utilise reserves to meet their charitable objectives in future years. Whilst many projects generate net surplus income, the Trustees identified projects such as the Careers Project, Quran Story Time and costs associated with the Islamic Studies department of the VA school as projects they wish to continue to support in this way.

Therefore, of the net expenditure for 2023 of £418,461, £170,535 represented depreciation on fixed assets with the balance of £247,926 representing expenditure on projects from brought forward reserves as mentioned above.

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 four 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 Al-Noor Youth project so that we can impact young people navigating through the teens and early adulthood
4. Look at developing a long-term revenue generation project to ensure the longevity of Al-Noor Foundation.

Trustees

- 1) Mr Imran Hafiz - Chair
- 2) Mr Imran Khan
- 3) Mr Muhammed Ilyas Mirza
- 4) Mr Sadiq Yakub Kothia - Deputy Chair
- 5) Mr Ahmed Zulfiqar

All the trustees are also directors of the Charity.

AL- NOOR FOUNDATION LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Company Secretary
Mr Imran Hafiz

Chief Executive Officer
Mr Akhter Raouf

Senior Statutory Auditor
Anwer Patel BA(Hons), BFP, FCA

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;
- 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.

AL- NOOR FOUNDATION LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2023

Auditors

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

Approved by order of the board of trustees on 26 September 2024 and signed on its behalf by:

Imran Hafiz

Imran Hafiz (Sep 26, 2024 12:18 GMT+1)

.....
Imran Hafiz (Chair) Director
September 2024

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 December 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position 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 December 2023 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.

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.

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

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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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.

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.

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. This description forms part of our Report of the Independent Auditors.

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

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: 27/9/24

AL-NOOR FOUNDATION LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

				Year Ended 31/12/23	Period 1/9/21 to 31/12/22
	Notes	Unrestricted fund £	Restricted fund £	Total funds £	Total funds £
INCOME FROM					
Donations	2	154,869	-	154,869	45,025
Charitable activities	5				
Education		81,843	-	81,843	275,155
Other Charitable Activities	3	138,085	-	138,085	260,597
Investment income	4	53,700	-	53,700	238,501
Other income		-	-	-	2,484,643
Total		428,497	-	428,497	3,303,921
EXPENDITURE ON					
Raising funds		136,003	-	136,003	101,451
Charitable activities					
Foundation		363,872	-	363,872	593,405
Education		253,864	-	253,864	544,103
Other Charitable Projects		93,219	-	93,219	-
Total		846,958	-	846,958	1,238,959
NET INCOME/(EXPENDITURE)		(418,461)	-	(418,461)	2,064,962
RECONCILIATION OF FUNDS					
Total funds brought forward		11,835,278	-	11,835,278	9,770,316
TOTAL FUNDS CARRIED FORWARD		11,416,817	-	11,416,817	11,835,278

The notes form part of these financial statements

AL-NOOR FOUNDATION LIMITED

**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2023**

	Notes	31.12.23 £	31.12.22 £
FIXED ASSETS			
Tangible assets	11	8,054,892	8,225,427
Other Investments	12	<u>3,900,000</u>	<u>3,750,000</u>
		11,954,892	11,975,427
CURRENT ASSETS			
Debtors	13	1,136,429	232,159
Cash at bank and in hand		<u>807,290</u>	<u>3,026,127</u>
		1,943,719	3,258,286
CREDITORS			
Amounts falling due within one year	14	<u>(2,481,794)</u>	<u>(3,398,435)</u>
NET CURRENT ASSETS		<u>(538,075)</u>	<u>(140,149)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		11,416,817	11,835,278
NET ASSETS		<u>11,416,817</u>	<u>11,835,278</u>
FUNDS	16		
Unrestricted funds		<u>11,416,817</u>	<u>11,835,278</u>
TOTAL FUNDS		<u>11,416,817</u>	<u>11,835,278</u>

The notes form part of these financial statements

AL-NOOR FOUNDATION LIMITED

STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2023

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 26 September 2024 and were signed on its behalf by:

Imran Hafiz

Imran Hafiz (Sep 26, 2024 12:18 GMT+1)

Trustee / Director

Imran Khan

Imran Khan (Sep 26, 2024 15:07 GMT+3)

Trustee / Director

The notes form part of these financial statements

AL-NOOR FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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, as modified by the revaluation of certain assets.

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.

At the Balance Sheet date, the charity has net current liabilities of around £538,000 (2022: £140,000). This is because of 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.

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

AL-NOOR FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES - continued

Allocation and apportionment of costs and irrecoverable vat

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
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.

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.

AL-NOOR FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

1. ACCOUNTING POLICIES - continued

Fund accounting

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.

Long Term Investment

Long Term Investment is shown at fair value.

AL-NOOR FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

2. DONATIONS

	Year Ended 31/12/23	Period 1/9/21 to 31/12/22
	£	£
Foundation Income	<u>154,869</u>	<u>45,025</u>

3. OTHER CHARITABLE ACTIVITIES

	Year Ended 31/12/23	Period 1/9/21 to 31/12/22
	£	£
Other Fundraising Activities	135,501	255,432
Gift aid from HMRC	<u>2,584</u>	<u>5,165</u>
	<u>138,085</u>	<u>260,597</u>

4. INVESTMENT INCOME

	Year Ended 31/12/23	Period 1/9/21 to 31/12/22
	£	£
Rents receivable	(1,358)	238,501
Other participating interests	<u>55,058</u>	-
	<u>53,700</u>	<u>238,501</u>

AL-NOOR FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

5. INCOME FROM CHARITABLE ACTIVITIES

		Year Ended 31/12/23 £	Period 1/9/21 to 31/12/22 £
Other Primary School	Activity		
Income	Education	21,943	31,480
Fees Receivable	Education	<u>59,900</u>	<u>243,675</u>
		<u>81,843</u>	<u>275,155</u>

6. NET INCOME/(EXPENDITURE)

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

	Year Ended 31/12/23 £	Period 1/9/21 to 31/12/22 £
Auditors' remuneration	6,000	7,500
Auditors' remuneration for non audit work	891	1,031
Depreciation - owned assets	170,535	227,739
Surplus on disposal of fixed assets	<u>-</u>	<u>(2,484,643)</u>

The gain on disposal of fixed assets represent the gain on the sale of Newton Industrial Estate to a new partnership which Al Noor Foundation Limited has a 50% equity share.

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the period ended 31 December 2022.

Trustees' expenses

	Year Ended 31/12/23 £	Period 1/9/21 to 31/12/22 £
Trustees' expenses	<u>600</u>	<u>-</u>

AL-NOOR FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

8. STAFF COSTS

	Year Ended 31/12/23 £	Period 1/9/21 to 31/12/22 £
Wages and salaries	163,707	349,740
Other pension costs	<u>3,094</u>	<u>4,295</u>
	<u>166,801</u>	<u>354,035</u>

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

	Year Ended 31/12/23	Period 1/9/21 to 31/12/22
Engaged on Charitable Activities	15	28
Engaged on Management	<u>1</u>	<u>1</u>
	<u>16</u>	<u>29</u>

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

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES 31.12.22

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME FROM			
Donations	45,025	-	45,025
Charitable activities			
Education	275,155	-	275,155
Other Charitable Activities	260,597	-	260,597
Investment income	238,501	-	238,501
Other income	<u>2,484,643</u>	<u>-</u>	<u>2,484,643</u>
Total	<u>3,303,921</u>	<u>-</u>	<u>3,303,921</u>
EXPENDITURE ON			
Raising funds	101,451	-	101,451
Charitable activities			
Foundation	572,553	20,852	593,405
Education	<u>544,103</u>	<u>-</u>	<u>544,103</u>
Total	1,218,107	20,852	1,238,959

AL-NOOR FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES 31.12.22 - continued

	Unrestricted fund £	Restricted fund £	Total funds £
NET INCOME/(EXPENDITURE)	2,085,814	(20,852)	2,064,962
Transfers between funds	(330)	330	-
Net movement in funds	2,085,484	(20,522)	2,064,962
RECONCILIATION OF FUNDS			
Total funds brought forward	9,749,794	20,522	9,770,316
TOTAL FUNDS CARRIED FORWARD	<u>11,835,278</u>	<u>-</u>	<u>11,835,278</u>

10. KEY MANAGEMENT PERSONNEL

The Key Management Personnel comprises of the Board of Trustees and the Chief Executive Officer whose remuneration amounted to £57,502 for the year ended 31st Dec 2023. (2022: £73,333 - 16 months)

11. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Totals £
COST			
At 1 January 2023 and 31 December 2023	<u>8,959,950</u>	<u>7,624</u>	<u>8,967,574</u>
DEPRECIATION			
At 1 January 2023	736,667	5,480	742,147
Charge for year	<u>169,999</u>	<u>536</u>	<u>170,535</u>
At 31 December 2023	<u>906,666</u>	<u>6,016</u>	<u>912,682</u>
NET BOOK VALUE			
At 31 December 2023	<u>8,053,284</u>	<u>1,608</u>	<u>8,054,892</u>
At 31 December 2022	<u>8,223,283</u>	<u>2,144</u>	<u>8,225,427</u>

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

AL-NOOR FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

12. OTHER INVESTMENTS

	Programme related investments equity £
FAIR VALUE	
At 1 January 2023	3,750,000
Long Term Investment	<u>150,000</u>
At 31 December 2023	<u>3,900,000</u>
NET BOOK VALUE	
At 31 December 2023	<u>3,900,000</u>
At 31 December 2022	<u>3,750,000</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23	31.12.22
	£	£
Trade debtors	38,135	188,171
Other debtors	<u>1,098,294</u>	<u>43,988</u>
	<u>1,136,429</u>	<u>232,159</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.23	31.12.22
	£	£
Trade creditors	2,902	264,324
Social security and other taxes	3,185	6,869
VAT	12,971	16,933
Other creditors	2,375,567	2,995,989
Accruals and deferred income	-	54,130
Accrued expenses	<u>87,169</u>	<u>60,190</u>
	<u>2,481,794</u>	<u>3,398,435</u>

Other Creditors included concessionary Interest Free Loans of £2,340,897 (2022: £2,931,597) also known as Qardh Hasana Loans received from the community and supporters.

Also, included as part of Other Creditors, were refundable student deposits of £4,000 (2022: £32,000).

AL-NOOR FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	31.12.23 Total funds £	31.12.22 Total funds £
Fixed assets	8,054,892	-	8,054,892	8,225,427
Investments	3,900,000	-	3,900,000	3,750,000
Current assets	1,943,719	-	1,943,719	3,258,286
Current liabilities	(2,481,794)	-	(2,481,794)	(3,398,435)
	<u>11,416,817</u>	<u>-</u>	<u>11,416,817</u>	<u>11,835,278</u>

16. MOVEMENT IN FUNDS

	At 1/1/23 £	Net movement in funds £	At 31/12/23 £
Unrestricted funds			
General fund	11,835,278	(418,461)	11,416,817
TOTAL FUNDS	<u>11,835,278</u>	<u>(418,461)</u>	<u>11,416,817</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	428,497	(846,958)	(418,461)
TOTAL FUNDS	<u>428,497</u>	<u>(846,958)</u>	<u>(418,461)</u>

AL-NOOR FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/9/21 £	Net movement in funds £	Transfers between funds £	At 31/12/22 £
Unrestricted funds				
General fund	9,749,794	2,085,814	(330)	11,835,278
Restricted funds				
Restricted Funds	20,522	(20,852)	330	-
TOTAL FUNDS	<u>9,770,316</u>	<u>2,064,962</u>	<u>-</u>	<u>11,835,278</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,303,921	(1,218,107)	2,085,814
Restricted funds			
Restricted Funds	-	(20,852)	(20,852)
TOTAL FUNDS	<u>3,303,921</u>	<u>(1,238,959)</u>	<u>2,064,962</u>

Movement in the year - Deficit of £418,461 (2022: Surplus - £2,064,962)

The charity had net expenditure of £418,461 of which £170,535 represented depreciation on fixed assets and the balance of £247,926 represents expenditure on their charitable objectives met from reserves brought forward

AL-NOOR FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2023

17. RELATED PARTY DISCLOSURES

As at Balance Sheet date, the company has interest free loans totalling £269,568 (2022: £240,118) 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.

18. 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.