

ISLAMIC DA'AWAH ACADEMY

England & Wales · Charity number 1065175

Details

Status Registered

Legal form Other

Registered 1997-10-31

Register [View on the Charity Commission register](#)

Contact

Address 120 Melbourne Road
Leicester
LE2 0DS

Phone 01162625440

Email info@idauk.org

Website www.idauk.org

Activities

Objects: 1) TO ADVANCE THE ISLAMIC RELIGION 2) TO FURTHER ISLAMIC EDUCATION 3) TO HELP EDUCATE YOUNG MUSLIMS SO AS TO DEVELOP THEIR PHYSICAL, MENTAL AND SPIRITUAL CAPACITIES THAT THEY MAY GROW TO FULL MATURITY AS INDIVIDUALS AND MEMBERS OF SOCIETY 4) TO ASSIST IN THE PROVISION OF ANY CHARITABLE SERVICES

Activities: Education/Training & Religious activities

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** Education/training, Religious Activities
- **Who:** The General Public/mankind

Geography

- Leicester City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,015,420	£1,655,340	£32,014,879	57
2024-03-31	£1,808,895	£1,269,314	£12,204,519	61
2023-03-31	£1,723,388	£1,560,124	£11,664,937	59
2022-03-31	£1,371,799	£1,131,282	£11,501,711	55
2021-03-31	£1,189,497	£922,733	£11,218,842	53

Trustees

Name	Role	Appointed
AHMED ALI DHORAT		
AYAZ SIDAT		
ISMAIL DHORAT		
MOHMED SALIM DHORAT		
SULEMAN DAWOOD ALI		

Accounts

**ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER**

Charity Registration No: 1065175

Financial statements: Year ended 31/03/2025

**NAMS Accountant Ltd
Wesley Place,
Wellington Road
Dewsbury**

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120 MELBOURNE ROAD
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ISLAMIC DA'AWAH ACADEMY
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Trustees' Annual Report

REFERENCE AND ADMINSTRATIVE DETAILS

Charity name

Islamic Da'awah Academy

Charity registration number

1065175

Principal office

120 Melbourne road

Leicester

LE2 0DS

Trustees

Mohmed Salim Dhorat

Ismail Ibraheem Dhorat

Ayaz Sidat

Ahmed Ali Dhorat

Suleman Dawood Ali

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STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

The charity is constituted as a charitable trust, governed by a Trust Deed, and is registered with the Charity Commission under charity number 1065175.

Organisational Structure

The trustees are responsible for the general control and management of the charity. The charity trustees meet on a quarterly basis and are responsible for all decisions taken in relation to the overall control and strategic management of the charity. The operational management of the charity is delegated to sub committees. Sub committees are currently set up for academic, finance, construction & maintenance functions.

Recruitment, Appointment and Training of Trustees

The existing trustees are responsible for the appointment of new trustees. New trustees are brought into the organisation, when required, on the basis of eligibility, competence, specialist knowledge and skills. It is the policy of the Islamic Da'awah Academy that each trustee during induction is given a copy of the trust deed, the latest audited accounts, recent meeting minutes and guidance regarding the policies and procedures adopted by our charity.

Risk Management

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

OBJECTIVES

The objectives of the Islamic Da'awah Academy (IDA) primarily focus on fulfilling the spiritual and religious needs of the Muslim community together with serving the community in general. The local community in Leicester is the primary benefactor, but the wider society in the UK and abroad also benefits from the services offered by the IDA.

The objectives of the IDA continue to be as summarised below:

- To educate Muslims from all walks of life, especially young Muslims, in all aspects of their spiritual and religious development;
- To support the Muslim community, and by doing so the wider community, by promoting good morals & conduct and addressing areas of social behaviour;
- To facilitate a greater awareness and understanding of Islam;
- To assist present and future generations of Muslims to preserve and perfect Islam in their lives; and
- To assist in the provision of any charitable services within the limits of the law and particularly within the bounds of Islam.

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In carrying out this review the trustees of the IDA have considered the Charity Commission's general guidance on public benefit and its supplementary public guidance on advancement of religion for public benefit.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The IDA carries out a wide range of activities in pursuing the objectives stated above. The activities detailed below provide benefit to those who attend our premises in person as well as the wider public locally, nationally and internationally.

RELIGIOUS SERVICES

Daily Prayers: The prayer facilities although primarily for students of the IDA, are open to the public for the five daily prayers, Friday prayers and the two Eid Prayers.

Nikah: A free service for couples who wish to perform Nikah (the Islamic marriage ceremony) is also provided at the IDA. 43 such ceremonies were performed during the current financial year.

Zakah, Sadaqah (Charitable giving) & Relief Effort: The IDA continues to support various relief projects for the benefit of all communities. It is the duty of every Muslim to assist those in need, regardless of their faith. During the reported financial year, a number of appeals were made to assist the plight of those affected across the globe and these appeals were successful in raising awareness amongst the attendees, leading to fulfilment of the needs of those affected.

Religious guidance Department: The department provides guidance and solutions to questions related to fulfilling religious duties submitted by members of the public, and are staffed by personnel proficient in Islamic jurisprudence, who are proficient in Arabic, English, Urdu and Gujarati. The guidance throughout the year was delivered primarily via telephone.

EDUCATION

Jameah Riyadul Uloom (JRU): JRU, established in 1998, is a full-time Islamic educational institute for higher Islamic education. It caters for male students over the age of 16 and aims to produce Ulama (scholars) who will serve the needs of Muslim communities, inspiring them to improve themselves as Muslims and citizens.

Riyadus Salihat (RS): RS, established in 2003, runs parallel to JRU and caters for female students over the age of 16, offering full and part time courses.

Both JRU and RS aspire to be centres of academic and spiritual excellence by providing authentic Islamic education and passing on the treasures of Islamic learning to future generations, whilst promoting spiritual development and perfecting good character and conduct.

Madrasah Riyadul Quran (MRQ): MRQ was established in 1993 to encourage local teenagers to continue their Islāmic studies beyond the age of 12 by attending the evening Madrassah after school. Students may enrol on the Further Education course or Part-Time 'Alimiyyah course. The madrasah also offers Hifẓ (memorisation of Qur'ān) classes for children over the age of 10.

Adult Learning Courses: The IDA offers a range of courses for adults in full time employment or college/university who wish to further their Islamic education. Many students currently benefit from such courses.

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Academic Events: Prize giving and completion ceremonies of the above mentioned, educational institutes, are held every year. They are public events and provide students the opportunity to demonstrate their achievements and allow the public to stay informed about the IDA's educational activities.

- The midyear examinations prize giving ceremony for the academic year 2024/25 took place on 11th October 2024
- The annual Prize giving ceremony for the academic year 2024/25 took place on 23rd February 2025
- The annual completion ceremony of Sahih-al-Bukhari, which marks the graduation of students from the Alimiyyah Course, for the academic year 2024/25, was held on 1st of February 2025. The honourable Shaykh Muhammad Saleem Dhorat hafizahullah imparted the final lesson of Sahih-al-Bukhari, the most authentic book of hadith.
- There were 51 members of staff engaged in delivering the educational activities described above.

SPIRITUAL, RELIGIOUS & MORAL DEVELOPMENT

Tazkiyah & Tarbiyah (Spiritual) Programmes: Throughout the year, IDA hosts regular programmes dedicated to spiritual awareness and reformation, which cater for people of all ages, male and female, in the Urdu and English languages. Islam advocates its followers to achieve purity of the heart as well as purity of external actions and behaviour. The weekly, monthly and bi-monthly programmes also generally cover areas under the headings of beliefs, worships, social interaction, dealings, morals and values, along with the need for spiritual rectification, to enable people to become better Muslims and in turn better citizens.

PUBLICATIONS & RESOURCES

Publications Department: Informative and inspirational literature is published from time-to-time in order to further the IDA's objectives. These take the form of books, booklets and leaflets which cover a wide range of topics including contemporary issues impacting the lives of Muslims today. During the financial year 3 new publications were added to the publication's portfolio. An annual calendar and year planner continued to be produced, which are very popular with users of our services.

IDA Website: The prime objective of the IDA's website is to help people stay connected with the activities of the IDA, as well as up-to-date news on the latest IDA events and services. The site also offers live streaming of programmes, audio lectures and a range of Islamic resources by the IDA publications. Visitors can also subscribe to the mailing list to receive regular educational and informative bulletins from the IDA.

FINANCIAL REVIEW

Source of Funding

At the end of the financial period the financial position of the IDA comprised of: Endowment funds of £25.6m; unrestricted funds of £4.1m; and Restricted funds of £2.2m. Total funds equalled £32m representing a significant increase from £12.2m in the previous period, predominantly due to the revaluation of buildings.

The main sources of income were: donations from the public to unrestricted, restricted and endowment funds (29%); funds raised for disaster appeals (28%); and student fees (28%). Donations were collected throughout the year in person and through standing orders. Collections boxes and donation terminals are placed in the main building and a collections desk is set up during busy periods of the year, such as the blessed month of Ramadhan.

Reserves Policy

The IDA aims to maintain reserve funds to cover approximately four months of future operating expenses. Based on this policy the reserves of circa £250,000 were held during the financial period. The remainder of the balance has been designated for significant capital expenditure projects as outlined below under future plans.

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Fundraising approach taken by the charity

By the Grace of Allah, the strong reputation and standing of the IDA continues to be the predominant factor for ongoing public support, with periodic fund-raising campaigns. Regarding disaster appeals, announcements are made after the daily prayers during campaigns.

Future plans

An extensive re-development programme for the student boarding facilities and the redevelopment of the Al Khayr site are the main capital projects in the pipeline. The boarding facilities development is a 3-phase project. Phase 1 was due to commence in early 2025 but due to delay in the tender process, it is anticipated that work will commence before the end of 2025 and reach completion by August 2026. Thereafter phase 2 & 3 will be initiated.

Along with the above, the trustees remain committed to the following significant capital expenditure projects in the short to medium term:

- Al Khayr redevelopment
- Wilson street property conversion

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Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2022, the Charity (Accounts and Reports) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure to auditors

So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Approval

Approved by the trustees on 28th January 2026 and signed on their behalf by:



A Sidat
Trustee

28th January 2026

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Auditors Report to the Trustees of the Islamic Da'awah Academy

Report of the independent auditors to the Trustees of the Islamic Da'awah Academy

We have audited the financial statements of the Islamic Da'awah Academy for the year ended 31 March 2025 which comprise of the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and the related notes.

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), in particular FRS102 (effective 1 January 2015). This report is made solely to the charity's Trustees, as a body, in accordance with the Charities Act 2022 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditor the Charities Act 2022 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2025, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2022.

**ISLAMIC DA'AWAH ACADEMY
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Auditors Report to the Trustees of the Islamic Da'awah Academy

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2022 requires us to report to you if, in our opinion:

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

Signed: ***Nasir Laher***

Date: 28th January 2026

NAMS Accountants Ltd
Wesley Place
Wellington Road
Dewsbury
WF13 1HD

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Statement of Financial Activities (including Income and Expenditure account)
For the Year ended 31st March 2025

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Totals 2025 £	Totals 2024 £
Income from:						
<u>Income from Donations and Legacies</u>						
Voluntary income	2	259,120	66,489	257,975	583,584	351,926
Disaster appeal	2	-	557,720	-	557,720	545,496
	2	259,120	624,209	257,975	1,141,304	897,422
Tax refunds		50,182	-	-	50,182	57,704
<u>Income from charitable activities</u>						
Fees from students		-	568,466	-	568,466	638,992
Publications		105,850	-	-	105,850	78,270
<u>Income from other trading activities</u>						
Bookshop income		72,641	-	-	72,641	66,461
Investment income	3	73,346	-	96	73,442	65,831
Other income		-	2,740	795	3,535	4,215
Total Income		561,139	1,195,415	258,866	2,015,420	1,808,894
Expenditure on:						
<u>Expenditure on raising funds</u>						
Shop expenditure	4	64,023	-	-	64,023	58,819
		64,023	-	-	64,023	58,819
<u>Expenditure on charitable activities</u>						
Cost of activities in furtherance of the Charity's objects						
Publication costs		48,960	-	-	48,960	44,020
Student costs	5	-	638,671	-	638,671	579,037
Running costs & maintenance	5	123,853	-	-	123,853	114,444
Support costs of charitable activities	5	2,345	-	-	2,345	2,828
Management and admin. expenditure	5	105,182	-	-	105,182	101,763
Depreciation		6,679	7,206	138,315	152,199	153,759
Donation to disaster appeals		-	520,105	-	520,105	214,644
		287,020	1,165,982	138,315	1,591,316	1,210,495
Total Expenditure		351,043	1,165,982	138,315	1,655,340	1,269,314
Net gains on investments	9	82,700	-	-	82,700	-
Net Income		292,796	29,433	120,552	442,780	539,581
Fund Balances brought forward		3,747,899	2,238,036	6,218,583	12,204,518	11,664,937
Transfer between funds	14	25,000	(25,000)	-	-	-
Revaluation reserve	15	70,317	-	19,297,264	19,367,581	-
Fund Balances carried forward		4,136,012	2,242,469	25,636,398	32,014,880	12,204,518

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.
The accompanying notes on pages 14 to 17 form part of these financial statements.

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Balance Sheet as at 31st March 2025

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Totals 2025 £	Totals 2024 £
Fixed Assets:						
Tangible Fixed Assets	8	355,504	40,833	24,707,202	25,103,539	5,888,158
Investments	9	1,378,572	-	-	1,378,572	1,109,366
		1,734,077	40,833	24,707,202	26,482,111	6,997,523
Current Assets:						
Stock and Work in Progress	10	6,434	-	-	6,434	10,768
Debtors	11	50,182	32,547	-	82,728	112,160
Cash at Bank and in Hand	12	2,352,835	2,199,027	929,195	5,481,057	5,147,472
		2,409,452	2,231,574	929,195	5,570,220	5,270,400
Creditors:						
Amounts falling due within one year	13	7,515	29,937	-	37,452	63,404
Net Current Assets/(Liabilities)		2,401,936	2,201,637	929,195	5,532,768	5,206,996
Total Assets less Current Liabilities		4,136,012	2,242,469	25,636,398	32,014,880	12,204,519
Net Assets		4,136,012	2,242,469	25,636,398	32,014,880	12,204,519
Funds:						
Endowment funds		-	-	6,339,134	6,339,134	6,218,583
Restricted funds		-	2,242,469	-	2,242,469	2,238,036
<u>Unrestricted funds</u>						
General reserves		3,661,152	-	-	3,661,152	3,426,056
Revaluation reserve		474,860	-	19,297,264	19,772,124	321,843
Total Funds		4,136,012	2,242,469	25,636,398	32,014,880	12,204,519

Approved by the Trustees and signed on their behalf by



A Sidat
Trustee

Date: 28th January 2026

ISLAMIC DA'AWAH ACADEMY
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Statement of Cash Flows for the Year ended 31st March 2025

	Note	Totals 2025 £	Totals 2024 £
Cash flows from operating activities:			
Net cash provided by operating activities	(a)	446,650	521,903
Cash flows from investing activities:			
Income from investments		73,442	65,831
Investments (Purchases / Improvements)		(186,507)	-
Net Cash provided by (used in) investing activities			
Change in cash and cash equivalents in the reporting period		333,585	587,734
Cash and cash equivalents at the beginning of the reporting period		5,147,472	4,559,737
Cash and cash equivalents at the end of the reporting period		5,481,057	5,147,472

Notes to the Statement of Cash flows

a) Reconciliation of net income/(expenditure) to net cash flow from operating activities

Net income for the reporting period (before exchange rate movements)	442,780	539,581
Depreciation charges	152,199	153,759
(Gains)/losses on investments	(82,700)	-
Income from investments	(73,442)	(65,831)
(Increase)/decrease in stocks	4,334	11,207
(Increase)/decrease in debtors	29,432	(90,181)
Increase/(decrease) in creditors	(25,953)	(26,631)
Net cash provided by operating activities	446,650	521,903

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Notes to the Financial Statements

1. Accounting Policies

(a) Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the statement of recommended practice (SORP), "Accounting and reporting by charities, Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS102) and as updated by Update Bulletin 1 (February 2016).

(b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees for the furtherance of the general objectives of the charity and have not been put aside for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions, which have been raised by the charity for a specific purpose. The cost of raising and administering such funds are charged against the specific fund.

Endowment funds are funds where there is no power to convert the capital into income. This is known as a permanent endowment fund. A permanent endowment fund must normally be held indefinitely. Where Trustees have the power to convert endowment funds into income, such funds are known as expendable endowments. A gift of an expendable endowment provides the Trustees with the power to convert all or part of it into income.

(c) Investment income

Income from investments and from rental income is included in the Statement of Financial Activities in the year in which it is receivable.

(d) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed under the various projects. For legacies, entitlement is the earlier of the charity being notified of an impending distribution of the legacy being received. Donated facilities are included at a value to the charity when this can be quantified and a third party is bearing the cost.

(e) Resources expended

All expenditure is accounted for an accruals basis and has been classified under the heading that aggregates all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on the basis consistent with the use of resources.

(f) Tangible Fixed Assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including incidental expenses of acquisition.

(g) Depreciation

Depreciation is calculated on all tangible fixed assets at rates calculated so as to write off the cost of the asset less its estimated residual value over the useful economic life of that asset as follows:

Freehold Land	2% per annum on a straight line method
Freehold Buildings	2% per annum on a straight line method
Fixtures & Equipment	15% per annum on a reducing balance

(h) Investment revaluation

Fixed asset investments are revalued at the market value as at the Balance Sheet date based on independent valuations from an external valuer.

(i) Stock

Stock consists of purchased goods for resale. Stock is valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

(j) Accrued and Deferred Income

Accrued and Deferred Income represents the difference between course fees received from students up to the financial year end, and the amount of student fee income recognised in the Statement of Financial Activities on a pro rata basis across the academic period the fees relate to.

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Notes to the Financial Statements

2. Donations & gifts

	2025	2024
	£	£
Individuals	1,070,527	865,078
Corporate Donors	70,777	32,344
	<u>1,141,304</u>	<u>897,422</u>

3. Investment income

	2025	2024
	£	£
Income from rental properties	73,346	65,831
Income from bank deposit	96	-
	<u>73,442</u>	<u>65,831</u>

4. Cost of generating funds

	2025	2024
	£	£
Shop - Purchases for Resale	64,023	58,819
	<u>64,023</u>	<u>58,819</u>

5. Cost of activities in furtherance of the charity objects

	2025	2024
	£	£
Student costs:		
Teaching staff	439,751	379,623
Food & Board	61,051	49,017
Education costs	2,836	2,441
Light & Heat	53,718	62,923
Rates & Insurance	16,842	12,018
Telephone costs	2,108	1,804
Other costs	13,361	14,585
Repairs & Maintenance	49,005	56,628
	<u>638,671</u>	<u>579,037</u>

	2025	2024
	£	£
Running costs and maintenance:		
Light & Heat	64,622	54,996
Rates & Insurance	21,585	24,446
Telephone & Stationary	8,024	4,302
Repairs & Maintenance	11,466	11,952
Cleaning & Sundries	18,156	18,749
	<u>123,853</u>	<u>114,444</u>

	2025	2024
	£	£
Support costs of charitable activities:		
Running costs	2,345	2,828
	<u>2,345</u>	<u>2,828</u>

	2025	2024
	£	£
Management and admin. expenditure:		
Wages	105,182	101,763
	<u>105,182</u>	<u>101,763</u>

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Notes to the Financial Statements

5. Cost of activities in furtherance of the charity objects continued

Analysis of Management and administration expenditure:				2025	2024
	Education	Publications	Religious Services	£	£
Finance	4,618	-	-	4,618	8,378
Admin	17,231	41,093	21,076	79,400	78,018
HR	11,577	342	1,712	13,632	9,556
PR	2,533	0	5,000	7,533	5,811
Total	35,958	41,436	27,789	105,182	101,763

Note: Allocation based on time spent

6. Trustees remuneration

	2025	2024
	£	£
The amount of remuneration or other benefits paid to a Trustee of the charity were as follows:		
Ayaz Sidat	14,102	13,152
	<u>14,102</u>	<u>13,152</u>

7. Staff costs

	2025	2024
	£	£
Wages & Salaries	530,816	472,482
Social Security Costs	14,117	8,903
	<u>544,933</u>	<u>481,386</u>

Average number of employees:

Teaching staff	51	53
Administration staff	<u>6</u>	<u>8</u>

8. Tangible fixed assets

Cost	Land & Property	Fixtures & Equipment	Total
	£	£	£
As at 1st April 2024	7,231,453	195,346	7,426,799
Additions in the year	-	-	-
Revaluation	19,367,581	-	19,367,581
Disposals in the year	-	-	-
As at 31st March 2025	<u>26,599,034</u>	<u>195,346</u>	<u>26,794,380</u>
Depreciation			
As at 1st April 2024	1,397,809	140,832	1,538,641
Charge for the year	144,022	8,177	152,199
Disposals	-	-	-
As at 31st March 2025	<u>1,541,832</u>	<u>149,009</u>	<u>1,690,841</u>
Net Book Value			
As at 31st March 2025	<u>25,057,202</u>	<u>46,337</u>	<u>25,103,539</u>
As at 1st April 2024	<u>5,833,644</u>	<u>54,514</u>	<u>5,888,158</u>

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Notes to the Financial Statements

9. Fixed Asset Investments	2025	2024
	£	£
Market value at the start of the period	1,109,366	1,109,366
Additions in the year	186,507	-
Revaluation	82,700	-
Market value at the end of the period	<u>1,378,572</u>	<u>1,109,366</u>

Breakdown of the market value of investments shown in the balance sheet and the income from them

	Market Value		Investment income	
	2025	2024	2025	2024
	£	£	£	£
Investment properties	1,378,572	1,109,366	73,346	65,831

10. Stock and Work in Progress	2025	2024
	£	£
Books for resale	6,434	10,768

11. Debtors	2025	2024
	£	£
Accrued income	82,728	112,160
	<u>82,728</u>	<u>112,160</u>

12. Cash at Bank and in Hand	2025	2024
	£	£
Cash at Bank	5,462,577	5,124,204
Cash in Hand	18,481	23,268
	<u>5,481,057</u>	<u>5,147,472</u>

13. Creditors: amounts falling due within one year	2025	2024
	£	£
Deferred Income	28,263	46,275
Other creditors	9,189	17,129
	<u>37,452</u>	<u>63,404</u>

14. Transfer between funds	2025	2024
	£	£
From Restricted to Unrestricted Funds	25,000	25,000
From Endowment to Unrestricted Funds	-	-
From Unrestricted to Endowment Funds	-	-

15. Revaluation

An external valuation of the land and buildings has been performed, and the carrying values have been adjusted in line with the valuation findings.

Accounts

**ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER**

Charity Registration No: 1065175

Financial statements: Year ended 31/03/2024

**Accountancy Management Services
Wesley Place, Wellington Road
Dewsbury**

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Trustees' Annual Report

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name

Islamic Da'awah Academy

Charity registration number

1065175

Principal office

120 Melbourne road
Leicester
LE2 0DS

Trustees

Mohmed Salim Dhorat
Ismail Ibraheem Dhorat
Ayaz Sidat
Ahmed Ali Dhorat
Suleman Dawood Ali

Solicitors

Khan & Co Solicitors
264 High Street,
Smethwick
Birmingham
B66 3NL

Auditors

Accountancy Management Services SBU Ltd
Wellington Road
Dewsbury
WF13 1HD

Bankers

Barclays Bank Plc
1-3 Haymarket Towers
Leicester
LE1 1WA

ISLAMIC DA'AWAH ACADEMY
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Trustees' Annual Report

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

The charity is constituted as a charitable trust, governed by a Trust Deed, and is registered with the Charity Commission under charity number 1065175.

Organisational Structure

The trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits to fulfil this role. The charity trustees meet on a quarterly basis and are responsible for all decisions taken in relation to the overall control and strategic management of the charity. The operational management of the charity is delegated to sub committees. Sub committees are currently set up for academic, finance, construction & maintenance functions.

Recruitment, Appointment and Training of Trustees

The existing trustees are responsible for the appointment of new trustees. New trustees are brought into the organisation, when required, on the basis of eligibility, competence, specialist knowledge and skills. It is the policy of the Islamic Da'awah Academy that each trustee during induction is given a copy of the trust deed, the latest audited accounts, recent meeting minutes and guidance regarding the policies and procedures adopted by our charity.

Risk Management

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

OBJECTIVES

The objectives of the Islamic Da'awah Academy (IDA) primarily focus on fulfilling the spiritual and religious needs of the Muslim community together with serving the community in general. The local community in Leicester is the primary benefactor, but the wider society in the UK and abroad also benefits from the services offered by the IDA.

The objectives of the IDA continue to be as summarised below:

- To educate Muslims from all walks of life, especially young Muslims, in all aspects of their spiritual and religious development;
- To support the Muslim community, and by doing so the wider community, by promoting good morals & conduct and addressing areas of social behaviour;
- To facilitate a greater awareness and understanding of Islam;
- To assist present and future generations of Muslims to preserve and perfect Islam in their lives; and
- To assist in the provision of any charitable services within the limits of the law and particularly within the bounds of Islam.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Trustees' Annual Report

In carrying out this review the trustees of the IDA have considered the Charity Commission's general guidance on public benefit and its supplementary public guidance on advancement of religion for public benefit.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The IDA carries out a wide range of activities in pursuing the objectives stated above. The activities detailed below provide benefit to those who attend our premises in person as well as the wider public locally, nationally and internationally.

RELIGIOUS SERVICES

Daily Prayers: The prayer facilities although primarily for students of the IDA, are open to the public for the five daily prayers, Friday prayers and the two Eid Prayers.

Nikah: A free service for couples who wish to perform Nikah (the Islamic marriage ceremony) is also provided at the IDA. 40 such ceremonies were performed during the current financial year.

Zakah, Sadaqah (Charitable giving) & Relief Effort: The IDA continues to support various relief projects for the benefit of all communities. It is the duty of every Muslim to assist those in need, regardless of their faith. During the financial year a number of appeals were made to assist the plight of those affected across the globe and these appeals were successful in raising awareness amongst the attendees. During the year donations made were distributed towards a number of projects, predominantly in provision of accommodation. 69% of the funds raised were spent on either construction of new homes or rebuilding old homes as well as tent sheltered homes. 19% of the funds raised was spent on food packs and the remainder on emergency relief.

Religious guidance Department: The department provides guidance and solutions to questions relating to fulfilling religious duties submitted by members of the public, and are staffed by personnel proficient in Islamic jurisprudence, who are proficient in Arabic, English Urdu and Gujarati. The guidance throughout the year was delivered primarily via telephone.

EDUCATION

Jameah Riyadul Uloom (JRU): JRU, established in 1998, is a full-time Islamic educational institute for higher Islamic education. It caters for male students over the age of 16 and aims to produce Ulama (scholars) who will serve the needs of Muslim communities, inspiring them to improve themselves as Muslims and citizens.

Riyadus Salihat (RS): RS, established in 2003, runs parallel to JRU and caters for female students over the age of 16, offering full and part time courses.

Both JRU and RS aspire to be centres of academic and spiritual excellence by providing authentic Islamic education and passing on the treasures of Islamic learning to future generations, whilst promoting spiritual development and perfecting good character and conduct.

Madrasah Riyadul Quran (MRQ): MRQ is an evening madrasah and was established in 1993 to encourage local teenagers to continue their Islāmic studies beyond the age of 12. Students may enrol on the Further Education course or Part-Time 'Alimiyyah course. The madrasah also offers Ḥifẓ (memorisation of Qur'ān) classes for children over the age of 10.

Adult Learning Courses: The IDA offers a range of courses for adults in full time employment or college/university who wish to further their Islamic education. Many students currently benefit from such courses.

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Trustees' Annual Report

Academic Events: Prize giving and completion ceremonies of the above mentioned, educational institutes, are held every year. They are public events and provide students the opportunity to demonstrate their achievements and allow the public to stay informed about the IDA's educational activities.

- The midyear examinations prize giving ceremony for the academic year 2023/24 took place on 22nd September 2023
- The annual Prize giving ceremony for the academic year 2023/24 took place on 6th March 2024
- The annual completion ceremony of Sahih-al-Bukhari, which marks the graduation of students from the Alimiyyah Course, for the academic year 2023/24, was held on 11th February 2024.
- There were fifty-three members of staff engaged in delivering the educational activities described above.

SPIRITUAL, RELIGIOUS & MORAL DEVELOPMENT

Tazkiyah & Tarbiyah (Spiritual) Programmes: The IDA normally hosts regular programmes dedicated to spiritual awareness and reformation throughout the year, as Islam advocates its followers to achieve purity of the heart as well as purity of external actions and behaviour. The weekly and monthly programmes also generally cover areas under the headings of beliefs, worships, social interaction, dealings, morals and values, along with the need for spiritual rectification, to enable people to become better Muslims and in turn better citizens. The programmes cater for people of all ages, male and female, in the Urdu and English languages.

PUBLICATIONS & RESOURCES

Publications Department: Informative and inspirational literature is published from time-to-time in order to further the IDA's objectives. These take the form of books, booklets and leaflets which cover a wide range of topics including contemporary issues impacting the lives of Muslims today. During the current financial year 3 new publications were added to the publication's portfolio. We have also been producing an annual calendar and year planner which are very popular with users of our services.

IDA Website: The prime objective of the IDA's website is to help people stay connected with the activities of the IDA, as well as up-to-date news on the latest IDA events and services. The site also offers live streaming of programmes, audio lectures and a range of Islamic resources by the IDA publications. Visitors can also subscribe to the mailing list to receive regular educational and informative bulletins from the IDA.

FINANCIAL REVIEW

Source of Funding

At the end of the financial period the financial position of the IDA comprised of: Endowment funds of £6.3m; unrestricted funds of £3.7m; and Restricted funds of £2.2m. Total funds equalled £12.2m representing an increase of circa 4.6% compared to the previous period. The main source of income continues to be the restricted funds being fees from students, accounting for circa 35% of total income.

The IDA's primary source of unrestricted funding income is through regular donations from the public, representing 16% of total income. Donations were received throughout the year in person and through standing orders. Collections boxes are placed in the main building and a collections desk is set up during busy periods of the year, such as the blessed month of Ramadhan.

Reserves Policy

The IDA aims to maintain reserve funds to cover approximately four months of future operating expenses. Based on this policy the reserves of circa £250,000 were held during the financial period. The remainder of the balance has been designated for significant capital expenditure projects as outlined below under future plans.

ISLAMIC DA'AWAH ACADEMY
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Trustees' Annual Report

Fundraising approach taken by the charity

By the Grace of Allah, the strong reputation and standing of the IDA continues to be the predominant factor for ongoing public support without undertaking any specific fund-raising campaigns, in relation to general donations. Regarding disaster appeals, regular announcements are made after the daily prayers during campaigns.

Future plans

An extensive re-development programme for the boarding facilities and the redevelopment of the Al Khayr site are the main capital projects. The boarding facilities development remains a major priority in the short term and refurbishment has continued throughout the current year with shower and toilet block extension likely to commence in early 2025. The trustees remain committed to the following significant capital expenditure projects in the short to medium term:

- Extension and refurbishment of student accommodation across 3 phases: toilet and shower block; boarding facilities; and kitchen renovation (approx. £2.5m)
- Al Khayr redevelopment
- Wilson street property conversion

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Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2022, the Charity (Accounts and Reports) and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure to auditors

So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Approval

Approved by the trustees on 27 January 2025 and signed on their behalf by:



A Sidat
Trustee

27 January 2025

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Auditors Report to the Trustees of the Islamic Da'awah Academy

Report of the independent auditors to the Trustees of the Islamic Da'awah Academy

We have audited the financial statements of the Islamic Da'awah Academy for the year ended 31 March 2024 which comprise of the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and the related notes.

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), in particular FRS102 (effective 1 January 2015). This report is made solely to the charity's Trustees, as a body, in accordance with the Charities Act 2022 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditor the Charities Act 2022 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2024, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2022.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Auditors Report to the Trustees of the Islamic Da'awah Academy

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2022 requires us to report to you if, in our opinion:

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

Signed: ***Nasir Laher***

Date: 27 January 2025

Accountancy Management Services SBU Ltd
Wesley Place
Wellington Road
Dewsbury
WF13 1HD

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Statement of Financial Activities (including Income and Expenditure account)
For the Year ended 31st March 2024

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Totals 2024 £	Totals 2023 £
Income from:						
<u>Income from Donations and Legacies</u>						
Voluntary income	2	292,456	24,104	35,365	351,926	341,865
Disaster appeal	2	-	545,496	-	545,496	580,516
	2	292,456	569,600	35,365	897,422	922,381
Tax refunds		57,704	-	-	57,704	30,111
<u>Income from charitable activities</u>						
Fees from students		-	638,992	-	638,992	543,607
Publications		78,270	-	-	78,270	97,172
<u>Income from other trading activities</u>						
Bookshop income		66,461	-	-	66,461	61,354
Investment income	3	65,831	-	-	65,831	62,307
Other income		-	4,115	100	4,215	6,455
Total Income		560,722	1,212,707	35,465	1,808,894	1,723,387
Expenditure on:						
<u>Expenditure on raising funds</u>						
Shop expenditure	4	58,819	-	-	58,819	59,527
		58,819	-	-	58,819	59,527
<u>Expenditure on charitable activities</u>						
Cost of activities in furtherance of the						
Charity's objects						
Publication costs		44,020	-	-	44,020	69,950
Student costs	5	-	579,037	-	579,037	512,570
Running costs and maintenance of Academy	5	114,444	-	-	114,444	102,630
Support costs of charitable activities	5	2,828	-	-	2,828	-
Management and administration expenditure	5	101,763	-	-	101,763	82,802
Depreciation		6,967	8,477	138,315	153,759	155,576
Donation to disaster appeals		-	214,644	-	214,644	577,070
		270,022	802,159	138,315	1,210,495	1,500,597
Total Expenditure		328,840	802,159	138,315	1,269,314	1,560,124
Realised gains & (losses)	14	-	-	-	-	(36)
Net Income		231,882	410,549	(102,849)	539,581	163,227
Fund Balances brought forward		3,491,018	1,852,487	6,321,432	11,664,937	11,501,711
Transfer between funds	15	25,000	(25,000)	-	-	-
Disposal of Endowment asset		-	-	-	-	-
Fund Balances carried forward		3,747,900	2,238,036	6,218,583	12,204,518	11,664,938

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.
The accompanying notes on pages 14 to 17 form part of these financial statements.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Balance Sheet as at 31st March 2024

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Totals 2024 £	Totals 2023 £
Fixed Assets:						
Tangible Fixed Assets	8	291,867	48,039	5,548,253	5,888,158	6,041,917
Investments	9	1,109,366	-	-	1,109,366	1,109,366
		1,401,232	48,039	5,548,253	6,997,523	7,151,282
Current Assets:						
Stock and Work in Progress	10	10,768	-	-	10,768	21,975
Debtors	11	57,704	54,456	-	112,160	21,979
Cash at Bank and in Hand	12	2,282,753	2,194,390	670,329	5,147,472	4,559,737
		2,351,225	2,248,846	670,329	5,270,400	4,603,691
Creditors:						
Amounts falling due within one year	13	4,557	58,847	-	63,404	90,036
Net Current Assets/(Liabilities)		2,346,668	2,189,998	670,329	5,206,996	4,513,655
Total Assets less Current Liabilities		3,747,900	2,238,036	6,218,583	12,204,519	11,664,937
Net Assets		3,747,900	2,238,036	6,218,583	12,204,519	11,664,937
Funds:						
Endowment funds		-	-	6,218,583	6,218,583	6,321,432
Restricted funds		-	2,238,036	-	2,238,036	1,852,487
<u>Unrestricted funds</u>						
General reserves		3,426,056	-	-	3,426,056	3,169,175
Revaluation reserve		321,843	-	-	321,843	321,843
Total Funds		3,747,900	2,238,036	6,218,583	12,204,519	11,664,937

Approved by the Trustees and signed on their behalf by



A Sidat
Trustee

Date: 27 January 2025

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Statement of Cash Flows for the Year ended 31st March 2024

	Note	Totals 2024 £	Totals 2023 £
Cash flows from operating activities:			
Net cash provided by operating activities	(a)	521,903	288,338
Cash flows from investing activities:			
Income from investments		65,831	62,307
Net Cash provided by (used in) investing activities			
Cash flows from financing activities:			
Effect of exchange rate fluctuations on cash held		-	(36)
Change in cash and cash equivalents in the reporting period		587,734	350,608
Cash and cash equivalents at the beginning of the reporting period		4,559,737	4,209,128
Cash and cash equivalents at the end of the reporting period		5,147,472	4,559,737

Notes to the Statement of Cash flows

a) Reconciliation of net income/(expenditure) to net cash flow from operating activities

Net income for the reporting period (before exchange rate movements)	539,581	163,263
Depreciation charges	153,759	155,576
Income from investments	(65,831)	(62,307)
(Increase)/decrease in stocks	11,207	9,030
(Increase)/decrease in debtors	(90,181)	4,602
Increase/(decrease) in creditors	(26,631)	18,174
Net cash provided by operating activities	521,903	288,338

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Notes to the Financial Statements

1. Accounting Policies

(a) Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the statement of recommended practice (SORP), "Accounting and reporting by charities, Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS102) and as updated by Update Bulletin 1 (February 2016).

(b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees for the furtherance of the general objectives of the charity and have not been put aside for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions, which have been raised by the charity for a specific purpose. The cost of raising and administering such funds are charged against the specific fund.

Endowment funds are funds where there is no power to convert the capital into income. This is known as a permanent endowment fund. A permanent endowment fund must normally be held indefinitely. Where Trustees have the power to convert endowment funds into income, such funds are known as expendable endowments. A gift of an expendable endowment provides the Trustees with the power to convert all or part of it into income.

(c) Investment income

Income from investments and from rental income is included in the Statement of Financial Activities in the year in which it is receivable.

(d) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed under the various projects. For legacies, entitlement is the earlier of the charity being notified of an impending distribution of the legacy being received. Donated facilities are included at a value to the charity when this can be quantified and a third party is bearing the cost.

(e) Resources expended

All expenditure is accounted for an accruals basis and has been classified under the heading that aggregates all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on the basis consistent with the use of resources.

(f) Tangible Fixed Assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including incidental expenses of acquisition.

(g) Depreciation

Depreciation is calculated on all tangible fixed assets at rates calculated so as to write off the cost of the asset less its estimated residual value over the useful economic life of that asset as follows:

Freehold Land	2% per annum on a straight line method
Freehold Buildings	2% per annum on a straight line method
Fixtures & Equipment	15% per annum on a reducing balance

(h) Investment revaluation

Fixed asset investments are revalued at the market value as at the Balance Sheet date based on independent valuations from an external valuer.

(i) Stock

Stock consists of purchased goods for resale. Stock is valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

(j) Accrued and Deferred Income

Accrued and Deferred Income represents the difference between course fees received from students up to the financial year end, and the amount of student fee income recognised in the Statement of Financial Activities on a pro rata basis across the academic period the fees relate to.

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Notes to the Financial Statements

2. Donations & gifts	2024	2023
	£	£
Individuals	865,078	852,651
Corporate Donors	32,344	69,730
	<u>897,422</u>	<u>922,381</u>
3. Investment income	2024	2023
	£	£
Income from rental properties	65,831	62,307
	<u>65,831</u>	<u>62,307</u>
4. Cost of generating funds	2024	2023
	£	£
Shop - Purchases for Resale	58,819	59,527
	<u>58,819</u>	<u>59,527</u>
5. Cost of activities in furtherance of the charity objects	2024	2023
	£	£
Student costs:		
Teaching staff	379,623	367,116
Food & Board	49,017	57,251
Education costs	2,441	3,545
Light & Heat	62,923	43,235
Rates & Insurance	12,018	12,528
Telephone costs	1,804	1,943
Other costs	14,585	3,784
Repairs & Maintenance	56,628	23,168
	<u>579,037</u>	<u>512,570</u>
	2024	2023
	£	£
Running costs and maintenance of Academy:		
Light & Heat	54,996	42,597
Rates & Insurance	24,446	19,275
Telephone & Stationary	4,302	2,220
Repairs & Maintenance	11,952	16,725
Cleaning & Sundries	18,749	21,813
	<u>114,444</u>	<u>102,630</u>
	2024	2023
	£	£
Support costs of charitable activities:		
Running costs	2,828	-
	<u>2,828</u>	<u>-</u>
	2024	2023
	£	£
Management and administration expenditure:		
Wages	101,763	82,802
	<u>101,763</u>	<u>82,802</u>

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Notes to the Financial Statements

5. Cost of activities in furtherance of the charity objects continued

Analysis of Management and administration expenditure:				2024	2023
	Education	Publications	Religious Services	£	£
Finance	8,378	-	-	8,378	6,471
Admin	20,942	38,171	18,906	78,018	60,832
HR	7,797	293	1,466	9,556	9,428
PR	2,117	-	3,695	5,811	6,071
Total	39,234	38,464	24,066	101,763	82,802

Note: Allocation based on time spent

6. Trustees remuneration

	2024	2023
	£	£
The amount of remuneration or other benefits paid to a Trustee of the charity were as follows:		
Ayaz Sidat	13,152	12,522
	<u>13,152</u>	<u>12,522</u>

7. Staff costs

	2024	2023
	£	£
Wages & Salaries	472,482	442,418
Social Security Costs	8,903	7,500
	<u>481,386</u>	<u>449,918</u>

Average number of employees:

Teaching staff	53	52
Administration staff	<u>8</u>	<u>7</u>

8. Tangible fixed assets

Cost	Land & Property £	Fixtures & Equipment £	Total £
As at 1st April 2023	7,231,453	195,346	7,426,799
Additions in the year	-	-	-
Disposals in the year	-	-	-
As at 31st March 2024	<u>7,231,453</u>	<u>195,346</u>	<u>7,426,799</u>
Depreciation			
As at 1st April 2023	1,253,670	131,212	1,384,882
Charge for the year	144,139	9,620	153,759
Disposals	-	-	-
As at 31st March 2024	<u>1,397,809</u>	<u>140,832</u>	<u>1,538,641</u>
Net Book Value			
As at 31st March 2024	<u>5,833,644</u>	<u>54,514</u>	<u>5,888,158</u>
As at 1st April 2023	<u>5,977,783</u>	<u>64,134</u>	<u>6,041,917</u>

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Notes to the Financial Statements

9. Fixed Asset Investments	2024	2023
	£	£
Market value at the start of the period	1,109,366	1,109,366
Additions in the year	-	-
Revaluation	-	-
Market value at the end of the period	<u>1,109,366</u>	<u>1,109,366</u>

Breakdown of the market value of investments shown in the balance sheet and the income from them

	Market Value		Investment income	
	2024	2023	2024	2023
	£	£	£	£
Investment properties	1,109,366	1,109,366	65,831	62,307

10. Stock and Work in Progress	2024	2023
	£	£
Books for resale	10,768	21,975

11. Debtors	2024	2023
	£	£
Accrued income	112,160	21,979
	<u>112,160</u>	<u>21,979</u>

12. Cash at Bank and in Hand	2024	2023
	£	£
Cash at Bank	5,124,204	4,540,119
Cash in Hand	23,268	19,617
	<u>5,147,472</u>	<u>4,559,737</u>

13. Creditors: amounts falling due within one year	2024	2023
	£	£
Deferred Income	46,275	74,969
Other creditors	17,129	15,067
	<u>63,404</u>	<u>90,036</u>

14. Realised gains & (losses)	2024	2023
	£	£
Gain / (loss) on foreign currency	-	(36)
	<u>-</u>	<u>(36)</u>

15. Transfer between funds	2024	2023
	£	£
From Restricted to Unrestricted Funds	25,000	25,000
From Endowment to Unrestricted Funds	-	-
From Unrestricted to Endowment Funds	-	-

Accounts

**ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER**

Charity Registration No: 1065175

Financial statements: Year ended 31/03/2023

**Accountancy Management Services
Wesley Place, Wellington Road
Dewsbury**

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER
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ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER
Trustees' Annual Report

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name

Islamic Da'awah Academy

Charity registration number

1065175

Principal office

120 Melbourne road
Leicester
LE2 0DS

Trustees

Mohmed Salim Dhorat
Ismail Ibraheem Dhorat
Ayaz Sidat
Ahmed Ali Dhorat
Suleman Dawood Ali

Solicitors

Khan & Co Solicitors
264 High Street,
Smethwick
Birmingham
B66 3NL

Auditors

Accountancy Management Services SBU Ltd
Wellington Road
Dewsbury
WF13 1HD

Bankers

Barclays Bank Plc
1-3 Haymarket Towers
Leicester
LE1 1WA

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Trustees' Annual Report

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

The charity is constituted as a charitable trust, governed by a Trust Deed, and is registered with the Charity Commission under charity number 1065175.

Organisational Structure

The trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits to fulfil this role. The charity trustees meet on a quarterly basis and are responsible for all decisions taken in relation to the overall control and strategic management of the charity. The operational management of the charity is delegated to sub committees. Sub committees are currently set up for academic, finance, construction & maintenance functions.

Recruitment, Appointment and Training of Trustees

The existing trustees are responsible for the appointment of new trustees. New trustees are brought into the organisation, when required, on the basis of eligibility, competence, specialist knowledge and skills. It is the policy of the Islamic Da'awah Academy that each trustee during induction is given a copy of the trust deed, the latest audited accounts, recent meeting minutes and guidance regarding the policies and procedures adopted by our charity.

Risk Management

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

OBJECTIVES

The objectives of the Islamic Da'awah Academy (IDA) primarily focus on fulfilling the spiritual and religious needs of the Muslim community together with serving the community in general. The local community in Leicester is the primary benefactor, but the wider society in the UK and abroad also benefits from the services offered by the IDA.

The objectives of the IDA continue to be as summarised below:

- To educate Muslims from all walks of life, especially young Muslims, in all aspects of their spiritual and religious development;
- To support the Muslim community, and by doing so the wider community, by promoting good morals & conduct and addressing areas of social behaviour;
- To facilitate a greater awareness and understanding of Islam;
- To assist present and future generations of Muslims to preserve and perfect Islam in their lives; and
- To assist in the provision of any charitable services within the limits of the law and particularly within the bounds of Islam.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Trustees' Annual Report

In carrying out this review the trustees of the IDA have considered the Charity Commission's general guidance on public benefit and its supplementary public guidance on advancement of religion for public benefit.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The IDA carries out a wide range of activities in pursuing the objectives stated above. The activities detailed below provide benefit to those who attend our premises in person as well as the wider public locally, nationally and internationally.

RELIGIOUS SERVICES

Daily Prayers: The prayer facilities although primarily for students of the IDA, are open to the public for the five daily prayers, Friday prayers and the two Eid Prayers.

Nikah: A free service for couples who wish to perform Nikah (the Islamic marriage ceremony) is also provided at the IDA. 38 such ceremonies were performed during the current financial year.

Zakah, Sadaqah (Charitable giving) & Relief Effort: The IDA continues to support numerous relief projects for the benefit of all communities. It is the duty of every Muslim to assist those in need, regardless of their faith. During the financial year a number of appeals were made to assist the plight of those affected across the globe and these appeals were successful in raising awareness amongst the attendees. During the year donations made were distributed towards a number of projects, predominantly in provision of food packs and emergency aid kits, which accounted for 53% of total funds distributed. In addition, funds were deployed in projects relating to provision of sheltered homes, orphanage support, hygiene packs and medical supplies.

Religious guidance Department: The department provides guidance and solutions to questions relating to fulfilling religious duties submitted by members of the public, and are staffed by personnel proficient in Islamic jurisprudence, who are proficient in Arabic, English Urdu and Gujarati. The guidance throughout the year was delivered primarily via telephone.

EDUCATION

Jameah Riyadul Uloom (JRU): JRU, established in 1998, is a full-time Islamic educational institute for higher Islamic education. It caters for male students over the age of 16 and aims to produce Ulama (scholars) who will serve the needs of Muslim communities, inspiring them to improve themselves as Muslims and citizens.

Riyadus Salihat (RS): RS, established in 2003, runs parallel to JRU and caters for female students over the age of 16, offering full and part time courses.

Both JRU and RS aspire to be centres of academic and spiritual excellence by providing authentic Islamic education and passing on the treasures of Islamic learning to future generations, whilst promoting spiritual development and perfecting good character and conduct.

Madrasah Riyadul Quran (MRQ): MRQ is an evening madrasah and was established in 1993 to encourage local teenagers to continue their Islāmic studies beyond the age of 12. Students may enrol on the Further Education course or Part-Time 'Alimiyyah course. The madrasah also offers Ḥifẓ (memorisation of Qur'ān) classes for children over the age of 10.

Adult Learning Courses: The IDA offers a range of courses for adults in full time employment or college/university who wish to further their Islamic education. Many students currently benefit from such courses.

ISLAMIC DA'AWAH ACADEMY

120 MELBOURNE ROAD

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Trustees' Annual Report

Academic Events: Prize giving and completion ceremonies of the above mentioned educational institutes are held every year. They are public events and provide students the opportunity to demonstrate their achievements and allow the public to stay informed about the IDA's educational activities.

- The midyear examinations prize giving ceremony for the academic year 2022/23 took place on 21st October 2022.
- The annual prize giving ceremony for the academic year 2022/23 took place on 18th March 2023.
- The annual completion ceremony of Sahih-al-Bukhari, which marks the graduation of students from the Alimiyyah Course, for the academic year 2021/22, was held on 12th June 2022, and for the academic year 2022/23 was held on 25 February 2023. The honourable Shaykh Muhammad Saleem Dhorat hafizahullah imparted the final lesson of Sahih-al-Bukhari, the most authentic book of hadith.

There were fifty-two members of staff engaged in delivering the educational activities described above.

SPIRITUAL, RELIGIOUS & MORAL DEVELOPMENT

Tazkiyah & Tarbiyah (Spiritual) Programmes: The IDA normally hosts regular programmes dedicated to spiritual awareness and reformation throughout the year, as Islam advocates its followers to achieve purity of the heart as well as purity of external actions and behaviour. The weekly and monthly programmes also generally cover areas under the headings of beliefs, worships, social interaction, dealings, morals and values, along with the need for spiritual rectification, to enable people to become better Muslims and in turn better citizens. The programmes cater for people of all ages, male and female, in the Urdu and English languages.

PUBLICATIONS & RESOURCES

Publications Department: Informative and inspirational literature is published from time-to-time in order to further the IDA's objectives. These take the form of books, booklets and leaflets which cover a wide range of topics including contemporary issues impacting the lives of Muslims today. During the current financial year there wasn't any new publication added to the publications portfolio. However, a number of booklets and leaflets were reprinted due to high demand.

IDA Website: The prime objective of the IDA's website is to help people stay connected with the activities of the IDA, as well as up-to-date news on the latest IDA events and services. The site also offers live streaming of programmes, audio lectures and a range of Islamic resources by the IDA publications. Visitors can also subscribe to the mailing list to receive regular educational and informative bulletins from the IDA.

FINANCIAL REVIEW

Source of Funding

At the end of the financial period the financial position of the IDA comprised of: Endowment funds of £6.3m; unrestricted funds of £3.5m; and Restricted funds of £1.9m. Total funds equalled £11.7m representing an increase of circa 1.4% compared to the previous period. The main source of income continues to be the restricted funds being fees from students, accounting for circa 32% of total income.

The IDA's primary source of unrestricted funding income is through regular donations from the public, representing 16% of total income. Donations were received throughout the year in person and through standing orders. Collections boxes are placed in the main building and a collections desk is set up during busy periods of the year, such as the blessed month of Ramadhan.

Reserves Policy

The IDA aims to maintain reserve funds to cover approximately four months of future operating expenses. Based on this policy the reserves of circa £250,000 were held during the financial period. The remainder of the balance has been designated for significant capital expenditure projects as outlined below under future plans.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER
Trustees' Annual Report

Fundraising approach taken by the charity

By the Grace of Allah, the strong reputation and standing of the IDA continues to be the predominant factor for ongoing public support without undertaking any specific fund-raising campaigns, in relation to general donations. Regarding disaster appeals, regular announcements are made after the daily prayers during campaigns.

Future plans

An extensive re-development programme for the boarding facilities and the redevelopment of the Al Khayr site are the main capital projects. The boarding facilities development remains a major priority in the short term for which plans were approved by the local council on 1st November 2023. The trustees remain committed to the following significant capital expenditure projects in the short to medium term:

- Extension and refurbishment of student accommodation across 3 phases: toilet and shower block; boarding facilities; and kitchen renovation (approx. £2.5m)
- Al Khayr redevelopment
- Wilson street property conversion

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Statement of Disclosure to auditors

So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Approval

Approved by the trustees on 17 January 2024 and signed on their behalf by:



A Sidat
Trustee

17 January 2024

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Auditors Report to the Trustees of the Islamic Da'awah Academy

Report of the independent auditors to the Trustees of the Islamic Da'awah Academy

We have audited the financial statements of the Islamic Da'awah Academy for the year ended 31 March 2023 which comprise of the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and the related notes.

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), in particular FRS102 (effective 1 January 2015). This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Auditors Report to the Trustees of the Islamic Da'awah Academy

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Signed: *Nasir Laher*

Date: 17th January 2024

Accountancy Management Services SBU Ltd
Wesley Place
Wellington Road
Dewsbury
WF13 1HD

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Statement of Financial Activities (including Income and Expenditure account)
For the Year ended 31st March 2023

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Totals 2023 £	Totals 2022 £
Income from:						
<u>Income from Donations and Legacies</u>						
Voluntary income	2	283,478	28,992	29,396	341,865	287,360
Disaster appeal	2	-	580,516	-	580,516	317,343
	2	283,478	609,508	29,396	922,381	604,703
Tax refunds		30,111	-	-	30,111	28,972
<u>Income from charitable activities</u>						
Fees from students		-	543,607	-	543,607	602,212
Publications		97,172	-	-	97,172	40,704
<u>Income from other trading activities</u>						
Bookshop income		61,354	-	-	61,354	32,526
Investment income	3	62,307	-	-	62,307	56,009
Other income		-	6,455	-	6,455	6,673
Total Income		534,422	1,159,570	29,396	1,723,387	1,371,799
Expenditure on:						
<u>Expenditure on raising funds</u>						
Shop expenditure	4	59,527	-	-	59,527	31,595
		59,527	-	-	59,527	31,595
<u>Expenditure on charitable activities</u>						
Cost of activities in furtherance of the Charity's objects						
Publication costs		69,950	-	-	69,950	18,673
Student costs	5	-	512,570	-	512,570	452,508
Running costs and maintenance of Academy	5	102,630	-	-	102,630	74,933
Support costs of charitable activities	5	-	-	-	-	5,305
Management and administration expenditure	5	82,802	-	-	82,802	75,072
Depreciation		7,288	9,973	138,315	155,576	157,694
Donation to disaster appeals		-	577,070	-	577,070	315,500
		262,670	1,099,613	138,315	1,500,597	1,099,686
Total Expenditure		322,197	1,099,613	138,315	1,560,124	1,131,282
Net gains on investments	9	-	-	-	-	215,138
Realised gains & (losses)	14	-	-	(36)	(36)	4
Other unrealised gains & (losses)	15	-	-	-	-	9
Net Income		212,225	59,957	(108,955)	163,227	455,669
Fund Balances brought forward		3,253,793	1,817,531	6,430,387	11,501,711	11,218,842
Transfer between funds	16	25,000	(25,000)	-	-	-
Disposal of Endowment asset		-	-	-	-	(172,800)
Fund Balances carried forward		3,491,018	1,852,487	6,321,432	11,664,938	11,501,711

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.
The accompanying notes on pages 14 to 17 form part of these financial statements.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER
Balance Sheet as at 31st March 2023

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Totals 2023 £	Totals 2022 £
Fixed Assets:						
Tangible Fixed Assets	8	298,834	56,516	5,686,567	6,041,917	6,197,492
Investments	9	1,109,366	-	-	1,109,366	1,109,366
		1,408,199	56,516	5,686,567	7,151,282	7,306,858
Current Assets:						
Stock and Work in Progress	10	21,975	-	-	21,975	31,005
Debtors	11	-	21,979	-	21,979	26,580
Cash at Bank and in Hand	12	2,070,797	1,854,076	634,864	4,559,737	4,209,128
		2,092,772	1,876,054	634,864	4,603,691	4,266,714
Creditors:						
Amounts falling due within one year	13	9,954	80,082	-	90,036	71,861
Net Current Assets/(Liabilities)		2,082,819	1,795,973	634,864	4,513,655	4,194,853
Total Assets less Current Liabilities		3,491,018	1,852,487	6,321,432	11,664,937	11,501,711
Net Assets		3,491,018	1,852,487	6,321,432	11,664,937	11,501,711
Funds:						
Endowment funds		-	-	6,321,432	6,321,432	6,430,387
Restricted funds		-	1,852,487	-	1,852,487	1,817,531
<u>Unrestricted funds</u>						
General reserves		3,169,175	-	-	3,169,175	2,716,812
Revaluation reserve		321,843	-	-	321,843	536,981
Total Funds		3,491,018	1,852,487	6,321,432	11,664,937	11,501,711

Approved by the Trustees and signed on their behalf by



A Sidat
Trustee

Date 17 January 2024

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Statement of Cash Flows for the Year ended 31st March 2023

	Note	Totals 2023 £	Totals 2022 £
Cash flows from operating activities:			
Net cash provided by operating activities	(a)	288,338	374,678
Cash flows from investing activities:			
Income from investments		62,307	56,009
Purchase of tangible fixed assets		-	(74,423)
Investments (Purchases / Improvements)		-	(163,066)
Net Cash provided by (used in) investing activities			
Cash flows from financing activities:			
Repayment of borrowings		-	-
Effect of exchange rate fluctuations on cash held		(36)	13
Change in cash and cash equivalents in the reporting period		350,608	193,212
		4,209,128	4,015,917
Cash and cash equivalents at the beginning of the reporting period			
Cash and cash equivalents at the end of the reporting period		4,559,737	4,209,128
Notes to the Statement of Cash flows			
a) Reconciliation of net income/(expenditure) to net cash flow from operating activities			
Net income for the reporting period (before exchange rate movements)		163,263	455,656
Depreciation charges		155,576	157,694
(Gains)/losses on investments		-	(215,138)
Income from investments		(62,307)	(56,009)
(Increase)/decrease in stocks		9,030	(2,480)
(Increase)/decrease in debtors		4,602	44,741
Increase/(decrease) in creditors		18,174	(9,786)
Net cash provided by operating activities		288,338	374,678

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER
Notes to the Financial Statements

1. Accounting Policies

(a) Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the statement of recommended practice (SORP), "Accounting and reporting by charities, Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS102) and as updated by Update Bulletin 1 (February 2016).

(b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees for the furtherance of the general objectives of the charity and have not been put aside for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions, which have been raised by the charity for a specific purpose. The cost of raising and administering such funds are charged against the specific fund.

Endowment funds are funds where there is no power to convert the capital into income. This is known as a permanent endowment fund. A permanent endowment fund must normally be held indefinitely. Where Trustees have the power to convert endowment funds into income, such funds are known as expendable endowments. A gift of an expendable endowment provides the Trustees with the power to convert all or part of it into income.

(c) Investment income

Income from investments and from rental income is included in the Statement of Financial Activities in the year in which it is receivable.

(d) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed under the various projects. For legacies, entitlement is the earlier of the charity being notified of an impending distribution of the legacy being received. Donated facilities are included at a value to the charity when this can be quantified and a third party is bearing the cost.

(e) Resources expended

All expenditure is accounted for an accruals basis and has been classified under the heading that aggregates all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on the basis consistent with the use of resources.

(f) Tangible Fixed Assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including incidental expenses of acquisition.

(g) Depreciation

Depreciation is calculated on all tangible fixed assets at rates calculated so as to write off the cost of the asset less its estimated residual value over the useful economic life of that asset as follows:

Freehold Land	2% per annum on a straight line method
Freehold Buildings	2% per annum on a straight line method
Fixtures & Equipment	15% per annum on a reducing balance

(h) Investment revaluation

Fixed asset investments are revalued at the market value as at the Balance Sheet date based on independent valuations from an external valuer.

(i) Stock

Stock consists of purchased goods for resale. Stock is valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

(j) Accrued and Deferred Income

Accrued and Deferred Income represents the difference between course fees received from students up to the financial year end, and the amount of student fee income recognised in the Statement of Financial Activities on a pro rata basis across the academic period the fees relate to.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Notes to the Financial Statements

2. Donations & gifts		2023	2022
		£	£
	Individuals	852,651	578,227
	Corporate Donors	69,730	26,476
		<u>922,381</u>	<u>604,703</u>
3. Investment income		2023	2022
		£	£
	Income from rental properties	62,307	56,009
		<u>62,307</u>	<u>56,009</u>
4. Cost of generating funds		2023	2022
		£	£
	Shop - Purchases for Resale	59,527	31,595
		<u>59,527</u>	<u>31,595</u>
5. Cost of activities in furtherance of the charity objects		2023	2022
		£	£
Student costs:			
	Teaching staff	367,116	330,407
	Food & Board	57,251	44,029
	Education costs	3,545	646
	Light & Heat	43,235	40,009
	Rates & Insurance	12,528	18,556
	Telephone costs	1,943	1,747
	Other costs	3,784	8,626
	Repairs & Maintenance	23,168	8,488
		<u>512,570</u>	<u>452,508</u>
		2023	2022
		£	£
Running costs and maintenance of Academy:			
	Light & Heat	42,597	29,057
	Rates & Insurance	19,275	17,350
	Telephone & Stationary	2,220	2,514
	Repairs & Maintenance	16,725	16,684
	Cleaning & Sundries	21,813	9,328
		<u>102,630</u>	<u>74,933</u>
		2023	2022
		£	£
Support costs of charitable activities:			
	Running costs	-	5,305
		<u>-</u>	<u>5,305</u>
		2023	2022
		£	£
Management and administration expenditure:			
	Wages	82,802	75,072
		<u>82,802</u>	<u>75,072</u>

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER
Notes to the Financial Statements

5. Cost of activities in furtherance of the charity objects continued

Analysis of Management and administration expenditure:				2023	2022
	Education	Publications	Religious Services	£	£
Finance	6,471	-	-	6,471	6,692
Admin	19,142	26,440	15,250	60,832	54,013
HR	7,589	307	1,533	9,428	8,576
PR	2,284	0	3,787	6,071	5,791
Total	35,486	26,746	20,569	82,802	75,072

Note: Allocation based on time spent

6. Trustees remuneration

	2023	2022
	£	£
The amount of remuneration or other benefits paid to a Trustee of the charity were as follows:		
Ayaz Sidat	12,522	11,569
	12,522	11,569

7. Staff costs

	2023	2022
	£	£
Wages & Salaries	442,418	399,939
Social Security Costs	7,500	5,540
	449,918	405,479
Average number of employees:		
Teaching staff	52	48
Administration staff	7	7

8. Tangible fixed assets

Cost	Land & Property	Fixtures & Equipment	Total
	£	£	£
As at 1st April 2022	7,231,453	195,346	7,426,799
Additions in the year			-
Disposals in the year			-
As at 31st March 2023	7,231,453	195,346	7,426,799
Depreciation			
As at 1st April 2022	1,109,413	119,894	1,229,307
Charge for the year	144,258	11,318	155,576
Disposals			-
As at 31st March 2023	1,253,670	131,212	1,384,882
Net Book Value			
As at 31st March 2023	5,977,783	64,134	6,041,917
As at 1st April 2022	6,122,040	75,452	6,197,492

ISLAMIC DA'AWAH ACADEMY
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Notes to the Financial Statements

9. Fixed Asset Investments			2023	2022
			£	£
Market value at the start of the period			1,109,366	731,162
Additions in the year			-	163,066
Revaluation			-	215,138
Market value at the end of the period			<u>1,109,366</u>	<u>1,109,366</u>
Breakdown of the market value of investments shown in the balance sheet and the income from them				
		Market Value	Investment income	
		2023	2022	
		£	£	£
Investment properties		1,109,366	1,109,366	62,307
				56,009
10. Stock and Work in Progress			2023	2022
			£	£
Books for resale			21,975	31,005
11. Debtors			2023	2022
			£	£
Accrued income			21,979	26,580
			<u>21,979</u>	<u>26,580</u>
12. Cash at Bank and in Hand			2023	2022
			£	£
Cash at Bank			4,540,119	4,190,599
Cash in Hand			19,617	18,529
			<u>4,559,737</u>	<u>4,209,128</u>
13. Creditors: amounts falling due within one year			2023	2022
			£	£
Deferred Income			74,969	60,304
Other creditors			15,067	11,557
			<u>90,036</u>	<u>71,861</u>
14. Realised gains & (losses)			2023	2022
			£	£
Gain / (loss) on foreign currency			(36)	4
			<u>(36)</u>	<u>4</u>
15. Other unrealised gains & (losses)			2023	2022
			£	£
Revaluation of foreign currency balances			-	9
			<u>-</u>	<u>9</u>
16. Transfer between funds			2023	2022
			£	£
From Restricted to Unrestricted Funds			-	25,000
From Endowment to Unrestricted Funds			-	181
From Unrestricted to Endowment Funds			-	10,855

Accounts

**ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER**

Charity Registration No: 1065175

Financial statements: Year ended 31/03/2022

**Accountancy Management Services
455 Whalley New Road
Blackburn**

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Trustees' Annual Report

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name

Islamic Da'awah Academy

Charity registration number

1065175

Principal office

120 Melbourne road
Leicester
LE2 0DS

Trustees

Mohmed Salim Dhorat
Ismail Ibraheem Dhorat
Ayaz Sidat
Ahmed Ali Dhorat
Suleman Dawood Ali

Solicitors

Khan & Co Solicitors
264 High Street,
Smethwick
Birmingham
B66 3NL

Auditors

Accountancy Management Services SBU Ltd
455 Whalley New Road
Blackburn
BB1 9SP

Bankers

Barclays Bank Plc
1-3 Haymarket Towers
Leicester
LE1 1WA

ISLAMIC DA'AWAH ACADEMY
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Trustees' Annual Report

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

The charity is constituted as a charitable trust, governed by a Trust Deed, and is registered with the Charity Commission under charity number 1065175.

Organisational Structure

The trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits to fulfil this role. The trustees meet on a quarterly basis and are responsible for all decisions taken in relation to the overall control and strategic management of the charity. The operational management of the charity is delegated to sub committees. Sub committees are currently set up for academic, finance, construction & maintenance functions.

Recruitment, Appointment and Training of Trustees

The current trustees are responsible for the appointment of new trustees. New trustees are brought into the organisation, when required, on the basis of eligibility, competence, specialist knowledge and skills. It is the policy of the Islamic Da'awah Academy that each trustee during induction is given a copy of the trust deed, the latest audited accounts, recent meeting minutes and guidance regarding the policies and procedures adopted by our charity.

Risk Management

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

OBJECTIVES

The objectives of the Islamic Da'awah Academy (IDA) primarily focus on fulfilling the spiritual and religious needs of the Muslim community together with serving the community in general. The local community in Leicester is the primary benefactor, but the wider society in the UK and abroad also benefits from the services offered by the IDA.

The objectives of the IDA continue to be as summarised below:

- To educate Muslims from all walks of life, especially young Muslims, in all aspects of their spiritual and religious development;
- To support the Muslim community, and by doing so the wider community, by promoting good morals & conduct and addressing areas of social behaviour;
- To facilitate a greater awareness and understanding of Islam;
- To assist present and future generations of Muslims to preserve and perfect Islam in their lives; and
- To assist in the provision of any charitable services within the limits of the law and particularly within the bounds of Islam.

ISLAMIC DA'AWAH ACADEMY
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Trustees' Annual Report

In carrying out this review the trustees of the IDA have considered the Charity Commission's general guidance on public benefit and its supplementary public guidance on advancement of religion for public benefit.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The IDA carries out a wide range of activities in pursuing the objectives stated above. The activities detailed below provide benefit to those who attend our premises in person as well as the wider public locally, nationally and internationally.

RELIGIOUS SERVICES

Daily Prayers: The prayer facilities although primarily for students of the IDA, are open to the public for the five daily prayers, Friday prayers and the two Eid Prayers.

Nikah: A free service for couples who wish to perform Nikah (the Islamic marriage ceremony) is also provided at the IDA. 58 Nikah ceremonies were performed during the year.

Zakah, Sadaqah (Charitable giving) & Relief Effort: The IDA continues to support numerous relief projects for the benefit of all communities. It is the duty of every Muslim to assist those in need, regardless of their faith. During the year a number of appeals were made to assist the plight of those affected across the globe. During the year £315k was distributed towards a number of projects, predominantly in provision of food packs, which accounted for 60% of total funds distributed. In addition funds were deployed in projects relating to provision of sheltered homes, medical aid, hygiene kits and income generation projects, where people in need are encouraged to start their own businesses in order to become independent and self-sufficient. Income generation projects consisted of providing cycle rickshaws, sewing machines, baby goats & chickens and carts with livestock.

Religious guidance Department: The department provides guidance and solutions to questions relating to fulfilling religious duties submitted by members of the public, and are staffed by personnel proficient in Islamic jurisprudence, who are proficient in Arabic, English Urdu and Gujarati. The guidance throughout the year was delivered primarily via phone or postal letters.

EDUCATION

Jameah Riyadul Uloom (JRU): JRU, established in 1998, is a full-time Islamic educational institute for higher Islamic education. It caters for male students over the age of 16 and aims to produce Ulama (scholars) who will serve the needs of Muslim communities, inspiring them to improve themselves as Muslims and citizens.

Riyadus Salihat (RS): RS, established in 2003, runs parallel to JRU and caters for female students over the age of 16, offering full and part time courses.

Both JRU and RS aspire to be centres of academic and spiritual excellence by providing authentic Islamic education and passing on the treasures of Islamic learning to future generations, whilst promoting spiritual development and perfecting good character and conduct.

Madrasah Riyadul Quran (MRQ): MRQ is an evening madrasah and was established in 1993 to encourage local teenagers to continue their Islāmic studies beyond the age of 12. Students may enrol on the Further Education course or Part-Time 'Alimiyyah course. The madrasah also offers Hifz (memorisation of Qur'ān) classes for children over the age of 10.

Adult Learning Courses: The IDA offers a range of courses for adults in full time employment or college/university who wish to further their Islamic education. Many students currently benefit from such courses. This year only the Hifz for Adults and Revision of Hifz course were made available.

ISLAMIC DA'AWAH ACADEMY

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Trustees' Annual Report

Academic Events: Prize giving and completion ceremonies of the above mentioned educational institutes are held every year. They are public events and provide students the opportunity to demonstrate their achievements and allow the public to stay informed about the IDA's educational activities.

- Annual Prize giving ceremony for the academic year 2020/21 took place on 26th June 2021 whilst the midyear examinations prize giving ceremony for the academic year 2021/22 took place on 6th November 2021.
- The annual completion ceremony of Sahih-al-Bukhari, which marks the graduation of students from the Alimiyyah Course, was held on 11th July 2021. The honourable Shaykh Muhammad Saleem Dhorat dāmat barakātuhum imparted the final lesson of Sahih-al-Bukhari, the most authentic book of hadith.
- For the academic year 2021/22 the Qira'ah (Qur'anic rendition) graduation and completion of memorisation of Qur'an ceremony took place on the 5th March 2022. This event marked the graduation of students in the field of Qira'ah (Qur'anic rendition) and completion of the memorisation of Qur'an. The event was well attended by members of the public along with friends and family of those graduating.

There were forty-eight members of staff engaged in delivering the educational activities described above.

SPIRITUAL, RELIGIOUS & MORAL DEVELOPMENT

Tazkiyah & Tarbiyah (Spiritual) Programmes: The IDA normally hosts regular programmes dedicated to spiritual awareness and reformation throughout the year, as Islam advocates its followers to achieve purity of the heart as well as purity of external actions and behaviour. The weekly and monthly programmes also generally cover areas under the headings of beliefs, worships, social interaction, dealings, morals and values, along with the need for spiritual rectification, to enable people to become better Muslims and in turn better citizens. The programmes cater for people of all ages, male and female, in the Urdu and English languages and commenced after the lifting of Covid restrictions.

PUBLICATIONS & RESOURCES

Publications Department: Informative and inspirational literature is published from time-to-time in order to further the IDA's objectives. These take the form of books, booklets and leaflets which cover a wide range of topics including contemporary issues impacting the lives of Muslims today. Six new titles were added to the publications portfolio during the year for the benefit of those wishing to further their Islamic knowledge.

IDA Website: The prime objectives of the IDA website is to help people stay connected with the activities of the IDA, as well as provide up-to-date news on the latest IDA events and services. The site also offers live streaming of programmes, audio lectures and a range of Islamic resources by IDA publications. Visitors can also subscribe to the mailing list to receive regular educational and informative bulletins from the IDA. The IDA website was the primary source of dissemination of lectures for the benefit of all throughout the lockdown period.

FINANCIAL REVIEW

Source of Funding

At the end of the financial period the financial position of the IDA comprised of: Endowment funds of £6.4m; unrestricted funds of £3.2m; and Restricted funds of £1.8m. Total funds equalled £11.5m representing an increase of circa 2.5% compared to the previous period. The main source of income continues to be the restricted funds being fees from students, accounting for circa 44% of total income.

The IDA's primary source of unrestricted funding income is through regular donations from the public, representing 17% of total income. Donations were received throughout the year in person and through standing orders. Collections boxes are placed in the main building and a collections desk is set up during busy periods of the year, such as the blessed month of Ramadhan.

Reserves Policy

The IDA aims to maintain reserve funds to cover approximately four months of future operating expenses. Based on this policy the reserves of circa £250,000 were held during the financial period. The remainder of the balance has been designated for significant capital expenditure projects as outlined below under future plans.

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Trustees' Annual Report

Fundraising approach taken by the charity

By the Grace of Allah, the strong reputation and standing of the IDA continues to be the predominant factor for ongoing public support without undertaking any specific fund-raising campaigns, in relation to general donations. Regarding disaster appeals, regular announcements are made after the daily prayers during campaigns.

Future plans

An extensive re-development programme for the boarding facilities and the redevelopment of the Al Khayr site are the main capital projects. The boarding facilities development has been prioritised in the short term for which plans were submitted to local council on 5th May 2021. However, the application was withdrawn on 5th August 2021 due to the emergence of new requirements requiring a revision to the plans. The trustees remain committed to the following significant capital expenditure projects in the short to medium term:

- Extension and refurbishment of student accommodation across 3 phases: toilet and shower block; boarding facilities; and kitchen renovation (approx. £2.5m)
- Al Khayr redevelopment (Stage one – approx £1.5m)
- Wilson street property conversion

ISLAMIC DA'AWAH ACADEMY
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Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Statement of Disclosure to auditors

So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Approval

Approved by the trustees on 11 January 2023 and signed on their behalf by:



A Sidat
Trustee

11 January 2023

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Auditors Report to the Trustees of the Islamic Da'awah Academy

Report of the independent auditors to the Trustees of the Islamic Da'awah Academy

We have audited the financial statements of the Islamic Da'awah Academy for the year ended 31 March 2022 which comprise of the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and the related notes.

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), in particular FRS102 (effective 1 January 2015). This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Auditors Report to the Trustees of the Islamic Da'awah Academy

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Signed: *Nasir Laher*

Date: 11 January 2023

Accountancy Management Services SBU Ltd
455 Whalley New Road
Blackburn
BB1 9SP

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Statement of Financial Activities (including Income and Expenditure account)
For the Year ended 31st March 2022

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Totals 2022 £	Totals 2021 £
Income from:						
<u>Income from Donations and Legacies</u>						
Voluntary income		231,234	25,540	30,586	287,360	453,590
Disaster appeal		-	317,343	-	317,343	163,685
	2	231,234	342,883	30,586	604,703	617,275
Tax refunds		28,972	-	-	28,972	14,885
<u>Income from charitable activities</u>						
Fees from students		-	602,212	-	602,212	463,531
Publications		40,704	-	-	40,704	30,810
<u>Income from other trading activities</u>						
Bookshop income		32,526	-	-	32,526	22,164
Investment income	3	56,009	-	-	56,009	38,034
Other income		-	6,673	-	6,673	2,799
Total Income		389,445	951,768	30,586	1,371,799	1,189,498
Expenditure on:						
<u>Expenditure on raising funds</u>						
Shop expenditure	4	31,595	-	-	31,595	21,344
		31,595	-	-	31,595	21,344
<u>Expenditure on charitable activities</u>						
Cost of activities in furtherance of the Charity's objects						
Publication costs		18,673	-	-	18,673	24,920
Student costs	5	-	452,508	-	452,508	395,386
Running costs and maintenance of Academy	5	74,933	-	-	74,933	42,928
Support costs of charitable activities	5	5,305	-	-	5,305	-
Management and administration expenditure	5	75,072	-	-	75,072	84,099
Depreciation		7,646	11,733	138,315	157,694	152,333
Donation to disaster appeals		-	315,500	-	315,500	201,723
		181,630	779,742	138,315	1,099,686	901,389
Total Expenditure		213,225	779,742	138,315	1,131,282	922,733
Net gains on investments	9	215,138	-	-	215,138	-
Realised gains & (losses)	14	-	-	4	4	-
Other unrealised gains & (losses)	15	-	-	9	9	(61)
Net Income		391,357	172,027	(107,715)	455,669	266,704
Fund Balances brought forward						
		2,848,110	1,670,504	6,700,228	11,218,842	10,952,139
Transfer between funds	16	14,326	(25,000)	10,674	-	-
Disposal of Endowment asset	17			(172,800)	(172,800)	
Fund Balances carried forward		3,253,793	1,817,531	6,430,387	11,501,711	11,218,842

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.
The accompanying notes on pages 14 to 17 form part of these financial statements.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Balance Sheet as at 31st March 2022

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Totals 2022 £	Totals 2021 £
Fixed Assets:						
Tangible Fixed Assets	8	306,121	66,489	5,824,882	6,197,492	6,453,564
Investments	9	1,109,366	-	-	1,109,366	731,162
		<u>1,415,487</u>	<u>66,489</u>	<u>5,824,882</u>	<u>7,306,858</u>	<u>7,184,726</u>
Current Assets:						
Stock and Work in Progress	10	31,005	-	-	31,005	28,526
Debtors	11	-	26,580	-	26,580	71,322
Cash at Bank and in Hand	12	1,811,053	1,792,571	605,504	4,209,128	4,015,917
		<u>1,842,058</u>	<u>1,819,152</u>	<u>605,504</u>	<u>4,266,714</u>	<u>4,115,764</u>
Creditors:						
Amounts falling due within one year	13	3,752	68,109	-	71,861	81,648
Net Current Assets/(Liabilities)		<u>1,838,306</u>	<u>1,751,043</u>	<u>605,504</u>	<u>4,194,853</u>	<u>4,034,116</u>
Total Assets less Current Liabilities		<u>3,253,793</u>	<u>1,817,531</u>	<u>6,430,387</u>	<u>11,501,711</u>	<u>11,218,842</u>
Net Assets		<u>3,253,793</u>	<u>1,817,531</u>	<u>6,430,387</u>	<u>11,501,711</u>	<u>11,218,842</u>
Funds:						
Endowment funds		-	-	6,430,387	6,430,387	6,700,228
Restricted funds		-	1,817,531	-	1,817,531	1,670,504
<u>Unrestricted funds</u>						
General reserves		2,716,812	-	-	2,716,812	2,526,267
Revaluation reserve		536,981	-	-	536,981	321,843
Total Funds		<u>3,253,793</u>	<u>1,817,531</u>	<u>6,430,387</u>	<u>11,501,711</u>	<u>11,218,842</u>

Approved by the Trustees and signed on their behalf by



A Sidat
Trustee

Date : 11 January 2023

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Statement of Cash Flows for the Year ended 31st March 2022

	Note	Totals 2022 £	Totals 2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	(a)	374,678	196,621
Cash flows from investing activities:			
Income from investments		56,009	38,034
Purchase of tangible fixed assets		(74,423)	-
Investments (Purchases / Improvements)		(163,066)	-
Net Cash provided by (used in) investing activities			
Cash flows from financing activities:			
Repayment of borrowings		-	-
Effect of exchange rate fluctuations on cash held		13	(61)
Change in cash and cash equivalents in the reporting period		193,212	234,593
Cash and cash equivalents at the beginning of the reporting period		4,015,917	3,781,323
Cash and cash equivalents at the end of the reporting period		4,209,128	4,015,917

Notes to the Statement of Cash flows

a) Reconciliation of net income/(expenditure) to net cash flow from operating activities

Net income for the reporting period (before exchange rate movements)	455,656	266,765
Depreciation charges	157,694	152,333
(Gains)/losses on investments	(215,138)	-
Income from investments	(56,009)	(38,034)
(Increase)/decrease in stocks	(2,480)	(2,958)
(Increase)/decrease in debtors	44,741	(43,612)
Increase/(decrease) in creditors	(9,786)	12,127
Endowment donation	-	(150,000)
Net cash provided by operating activities	374,678	196,621

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Notes to the Financial Statements

1. Accounting Policies

(a) Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the statement of recommended practice (SORP), "Accounting and reporting by charities, Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS102) and as updated by Update Bulletin 1 (February 2016).

(b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees for the furtherance of the general objectives of the charity and have not been put aside for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions, which have been raised by the charity for a specific purpose. The cost of raising and administering such funds are charged against the specific fund.

Endowment funds are funds where there is no power to convert the capital into income. This is known as a permanent endowment fund. A permanent endowment fund must normally be held indefinitely. Where Trustees have the power to convert endowment funds into income, such funds are known as expendable endowments. A gift of an expendable endowment provides the Trustees with the power to convert all or part of it into income.

(c) Investment income

Income from investments and from rental income is included in the Statement of Financial Activities in the year in which it is receivable.

(d) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed under the various projects. For legacies, entitlement is the earlier of the charity being notified of an impending distribution of the legacy being received. Donated facilities are included at a value to the charity when this can be quantified and a third party is bearing the cost.

(e) Resources expended

All expenditure is accounted for an accruals basis and has been classified under the heading that aggregates all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on the basis consistent with the use of resources.

(f) Tangible Fixed Assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including incidental expenses of acquisition.

(g) Depreciation

Depreciation is calculated on all tangible fixed assets at rates calculated so as to write off the cost of the asset less its estimated residual value over the useful economic life of that asset as follows:

Freehold Land	2% per annum on a straight line method
Freehold Buildings	2% per annum on a straight line method
Fixtures & Equipment	15% per annum on a reducing balance

(h) Investment revaluation

Fixed asset investments are revalued at the market value as at the Balance Sheet date based on independent valuations from an external valuer.

(i) Stock

Stock consists of purchased goods for resale. Stock is valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

(j) Accrued and Deferred Income

Accrued and Deferred Income represents the difference between course fees received from students up to the financial year end, and the amount of student fee income recognised in the Statement of Financial Activities on a pro rata basis across the academic period the fees relate to.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Notes to the Financial Statements

2. Donations & gifts

	2022	2021
	£	£
Individuals	578,227	559,531
Corporate Donors	26,476	57,745
	<u>604,703</u>	<u>617,275</u>

3. Investment income

	2022	2021
	£	£
Income from rental properties	56,009	38,034
	<u>56,009</u>	<u>38,034</u>

4. Cost of generating funds

	2022	2021
	£	£
Shop - Purchases for Resale	31,595	21,344
	<u>31,595</u>	<u>21,344</u>

5. Cost of activities in furtherance of the charity objects

	2022	2021
	£	£
Student costs:		
Teaching staff	330,407	309,542
Food & Board	44,029	21,079
Education costs	646	145
Light & Heat	40,009	41,459
Rates & Insurance	18,556	7,443
Telephone costs	1,747	1,381
Other costs	8,626	6,586
Repairs & Maintenance	8,488	7,749
	<u>452,508</u>	<u>395,386</u>

	2022	2021
	£	£
Running costs and maintenance of Academy:		
Light & Heat	29,057	18,926
Rates & Insurance	17,350	12,920
Telephone & Stationary	2,514	1,430
Repairs & Maintenance	16,684	6,334
Cleaning & Sundries	9,328	3,317
	<u>74,933</u>	<u>42,928</u>

	2022	2021
	£	£
Support costs of charitable activities:		
Running costs	5,305	-
	<u>5,305</u>	<u>-</u>

	2022	2021
	£	£
Management and administration expenditure:		
Wages	75,072	84,099
	<u>75,072</u>	<u>84,099</u>

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Notes to the Financial Statements

5. Cost of activities in furtherance of the charity objects continued

Analysis of Management and administration expenditure:				2022	2021
	Education	Publications	Religious Services	£	£
Finance	6,692	-	-	6,692	6,488
Admin	18,785	22,588	12,640	54,013	63,286
HR	6,930	274	1,372	8,576	8,480
PR	2,201	-	3,589	5,791	5,845
Total	34,608	22,863	17,602	75,072	84,099

Note: Allocation based on time spent

6. Trustees remuneration

	2022	2021
	£	£
The amount of remuneration or other benefits paid to a Trustee of the charity were as follows:		
Ayaz Sidat	11,569	11,444
	11,569	11,444

7. Staff costs

	2022	2021
	£	£
Wages & Salaries	399,939	387,563
Social Security Costs	5,540	6,079
	405,479	393,641

Average number of employees:

Teaching staff	48	47
Administration staff	7	6

8. Tangible fixed assets

	Land & Property	Fixtures & Equipment	Total
Cost	£	£	£
As at 1st April 2021	7,400,598	131,778	7,532,376
Additions in the year	10,855	63,568	74,423
Disposals in the year	(180,000)		(180,000)
As at 31st March 2022	7,231,453	195,346	7,426,799
Depreciation			
As at 1st April 2021	972,234	106,579	1,078,813
Charge for the year	144,379	13,315	157,694
Disposals	(7,200)		(7,200)
As at 31st March 2022	1,109,413	119,894	1,229,307
Net Book Value			
As at 31st March 2022	6,122,040	75,452	6,197,492
As at 1st April 2021	6,428,364	25,199	6,453,564

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Notes to the Financial Statements

9. Fixed Asset Investments			2022	2021
			£	£
Market value at the start of the period			731,162	731,162
Additions in the year			163,066	-
Revaluation			215,138	-
Market value at the end of the period			<u>1,109,366</u>	<u>731,162</u>
Breakdown of the market value of investments shown in the balance sheet and the income from them				
	Market Value		Investment income	
	2022	2021	2022	2021
	£	£	£	£
Investment properties	1,109,366	731,162	56,009	38,034
10. Stock and Work in Progress			2022	2021
			£	£
Books for resale			31,005	28,526
11. Debtors			2022	2021
			£	£
Accrued income			26,580	71,322
			<u>26,580</u>	<u>71,322</u>
12. Cash at Bank and in Hand			2022	2021
			£	£
Cash at Bank			4,190,599	3,999,072
Cash in Hand			18,529	16,845
			<u>4,209,128</u>	<u>4,015,917</u>
13. Creditors: amounts falling due within one year			2022	2021
			£	£
Deferred Income			60,304	58,139
Other creditors			11,557	23,509
			<u>71,861</u>	<u>81,648</u>
14. Realised gains & (losses)			2022	2021
			£	£
Gain / (loss) on foreign currency			4	-
			<u>4</u>	<u>-</u>
15. Other unrealised gains & (losses)			2022	2021
			£	£
Revaluation of foreign currency balances			9	(61)
			<u>9</u>	<u>(61)</u>
16. Transfer between funds			2022	2021
			£	£
From Restricted to Unrestricted Funds			25,000	25,000
From Endowment to Unrestricted Funds			181	-
From Unrestricted to Endowment Funds			10,855	-
17. Disposal of Endowment asset				
Disposal of Endowment asset was made during the period after obtaining approval from the Charity Commission.				

Accounts

**ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER**

Charity Registration No: 1065175

Financial statements: Year ended 31/03/2021

**Accountancy Management Services
455 Whalley New Road
Blackburn**

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

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ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Trustees' Annual Report

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name

Islamic Da'awah Academy

Charity registration number

1065175

Principal office

120 Melbourne road
Leicester
LE2 0DS

Trustees

Mohmed Salim Dhorat
Ismail Ibraheem Dhorat
Ayaz Sidat
Ahmed Ali Dhorat
Suleman Dawood Ali

Solicitors

Khan & Co Solicitors
264 High Street,
Smethwick
Birmingham
B66 3NL

Auditors

Accountancy Management Services SBU Ltd
455 Whalley New Road
Blackburn
BB1 9SP

Bankers

Barclays Bank Plc
1-3 Haymarket Towers
Leicester
LE1 1WA

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Trustees' Annual Report

STRUCTURE, GOVERNANCE & MANAGEMENT

Governing Document

The charity is registered with the Charity Commission under charity number 1065175 and is constituted as a charitable trust, governed by a trust deed.

Organisational Structure

The trustees are responsible for the oversight and overall management of the charity. The trustees meet on a quarterly basis and undertake all key decision-making in relation to the overall control and strategic management of the charity. The operational management of the charity is delegated to sub-committees. Sub-committees are currently in place for the academic, finance, construction and maintenance functions. The trustees receive no remuneration or other financial benefits to fulfil this role.

Recruitment, Appointment and Training of Trustees

New trustees are appointed on the basis of eligibility, competence, specialist knowledge and skills. Upon appointment each trustee is given a copy of the trust deed, the latest audited accounts, recent meeting minutes and guidance regarding the policies and procedures.

Risk Management

A set of policies and procedures are in place to identify and manage risks, which form the internal controls framework. The policies are developed by the management team who are responsible for implementation and authorised by the trustees. The relevant policies and procedures are communicated to all staff and training given where applicable. Periodic policy reviews are undertaken to seek to ensure the internal controls framework remains relevant.

OBJECTIVES

The objectives of the Islamic Da'awah Academy (IDA) primarily focus on fulfilling the spiritual and religious needs of the Muslim community, together with serving the community in general. The local community in Leicester is the primary benefactor, but the wider society in the UK and abroad also benefits from the services offered by the IDA.

The objectives of the IDA continue to be as summarised below:

- To educate Muslims from all walks of life, especially young Muslims, in all aspects of their spiritual and religious development;
- To support the Muslim community, and by doing so the wider community, by promoting good morals and conduct and positive social behaviour;
- To facilitate a greater awareness and understanding of Islam;
- To assist present and future generations of Muslims to preserve and perfect Islam in their lives; and
- To assist in the provision of any charitable services within the limits of the law and particularly within the bounds of Islam.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Trustees' Annual Report

In carrying out this review the trustees of the IDA have considered the Charity Commission's general guidance on public benefit and its supplementary public guidance on advancement of religion for public benefit.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

IDA carries out a wide range of activities in order to pursue the objectives stated above. The activities detailed below provide benefit to those who attend our premises in person as well as the wider public locally, nationally and internationally. During the year, the activities were limited and primarily took place via online mediums, due to the COVID-19 pandemic restrictions.

RELIGIOUS SERVICES

Daily, Friday & Eid Prayers: The prayer facilities, though primarily for students of the IDA, are open to the public for the five daily prayers, Friday prayers and the two Eid Prayers. These facilities remained closed for most of the year due to the pandemic.

Nikah: A free service for couples who wish to perform Nikah (the Islamic marriage ceremony) is also provided at the IDA. Nikah ceremonies were impacted due to COVID-19, with 27 Nikahs performed in the year.

Zakah, Sadaqah (Charitable giving) & Relief Effort: It is the duty of every Muslim to assist those in need, regardless of their faith, and the IDA facilitates this obligation by collecting and distributing funds to support numerous relief projects for the benefit of all communities. During the year, the majority of support was provided for pandemic sufferers across 18 countries. Funds were also distributed to aid the building of homes, family sponsorship, support for medical treatment, food packs, hygiene and water kits for those affected by floods and shelter for refugees. A total of £201.7K was distributed to support those in need in the above-mentioned activities.

Religious guidance Department: The department provides guidance and solutions to questions relating to fulfilling religious duties submitted by members of the public, and are staffed by personnel proficient in Islamic jurisprudence, who are proficient in Arabic, English Urdu and Gujarati. The guidance throughout the year was delivered primarily via phone or postal letters.

EDUCATION

Jameah Riyadul Uloom (JRU): JRU, established in 1998, is a full-time Islamic educational institute for higher Islamic education. It caters for male students over the age of 16 and aims to produce Ulama (scholars) who will serve the needs of Muslim communities, inspiring them to improve themselves as Muslims and citizens.

Riyadus Salihat (RS): RS, established in 2003, runs parallel to JRU and caters for female students over the age of 16, offering full and part time courses.

Both JRU and RS aspire to be centres of academic and spiritual excellence by providing authentic Islamic education and passing on the treasures of Islamic learning to future generations, whilst promoting spiritual development and perfecting good character and conduct. Due to the current pandemic and lockdown, both institutes had to resort to fulfilling their educational provision online for most of the year, with limited face to face teaching.

Madrasah Riyadul Quran (MRQ): MRQ is an evening madrasah and was established in 1993 to encourage local teenagers to continue their Islāmic studies beyond the age of 12. Students may enrol on the Further Education course or Part-Time 'Alimiyyah course. The madrasah also offers Hifz (memorisation of Qur'ān) classes for children over the age of 10. The majority of the teaching during the year was delivered online due to restrictions relating to the pandemic.

Adult Learning Courses: The IDA offers a range of courses for adults in full time employment or college/university who wish to further their Islamic education. Many students currently benefit from such courses with the following choice of enrolment: Part-time 'Alimiyyah Course, Advanced Islamic Education, Hifz for Adults, Revision of Hifz, Beginners Qur'aan Class and Tajweed. All adult learning classes were suspended throughout the year.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Trustees' Annual Report

Academic Events: Prize giving and completion ceremonies of the above-mentioned educational institutes are held every year. They are public events and provide students the opportunity to demonstrate their achievements and allow the public to stay informed about the IDA's educational activities. Due to the pandemic no award ceremonies took place during the year.

There were forty-seven members of staff engaged in delivering the educational activities described above.

SPIRITUAL, RELIGIOUS & MORAL DEVELOPMENT

Tazkiyah & Tarbiyah (Spiritual) Programmes: The IDA normally hosts regular programmes dedicated to spiritual awareness and reformation throughout the year, as Islam advocates its followers to achieve purity of the heart as well as purity of external actions and behaviour. The weekly and monthly programmes also generally cover areas under the headings of beliefs, worships, social interaction, dealings, morals and values, along with the need for spiritual rectification, to enable people to become better Muslims and in turn better citizens. The programmes cater for people of all ages, male and female, in the Urdu and English languages and were delivered via online mediums due to COVID-19 restrictions.

PUBLICATIONS & RESOURCES

Publications Department: Informative and inspirational literature is published from time-to-time in order to further the IDA's objectives. These take the form of books, booklets and leaflets which cover a wide range of topics including contemporary issues impacting the lives of Muslims today. Three new titles were added to the publications portfolio during the year for the benefit of those wishing to further their Islamic knowledge.

IDA Website: The prime objective of the IDA's website is to help people stay connected with the activities of the IDA, as well as up-to-date news on the latest IDA events and services. The site also offers live streaming of programmes, audio lectures and a range of Islamic resources by the IDA publications. Visitors can also subscribe to the mailing list to receive regular educational and informative bulletins from the IDA. The IDA website was the primary source of dissemination of lectures for the benefit of all throughout the lockdown period.

FINANCIAL REVIEW

Source of Funding

At the end of the financial period the financial position of the IDA comprised of: Endowment funds of £6.7m; unrestricted funds of £2.8m; and Restricted funds of £1.7m. Total funds equalled £11.2m representing an increase of circa 2.4% compared to the previous period. Excluding one-off endowment donations, the main source of income continues to be the restricted funds being fees from students, accounting for circa 39% of total income.

The IDA's primary source of unrestricted funding income is through regular donations from the public, representing 20% of total income. Donations were received throughout the year in person and through standing orders. Collections boxes are placed in the main building and a collections desk is set up during busy periods of the year, such as the blessed month of Ramadhan. Due to COVID-19 a higher level of online donations were received.

Reserves Policy

The IDA aims to maintain reserve funds to cover approximately four months of future operating expenses. Based on this policy the reserves of circa £200,000 were held during the financial period. The remainder of the balance has been designated for significant capital expenditure projects as outlined below under future plans.

Fundraising approach taken by the charity

By the Grace of Allah, the strong reputation and standing of the IDA continues to be the predominant factor for ongoing public support without undertaking any specific fund-raising campaigns, in relation to general donations. Regarding disaster appeals, regular announcements are made after the daily prayers during campaigns.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Trustees' Annual Report

Future plans

An extensive re-development programme for the boarding facilities and the redevelopment of the Al Khayr site are the main capital projects. The boarding facilities development has been prioritised in the short term for which planning permission is being sought. The trustees remain committed to the following significant capital expenditure projects in the short to medium term:

- Extension and refurbishment of student accommodation across 3 phases: toilet and shower block; boarding facilities; and kitchen renovation (approx. £2.5m)
- Al Khayr redevelopment
- Wilson street property conversion

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Statement of Disclosure to auditors

So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Approval

Approved by the trustees on 13th January 2022 and signed on their behalf by:



A Sidat
Trustee

13th January 2022

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Auditors Report to the Trustees of the Islamic Da'awah Academy

Report of the independent auditors to the Trustees of the Islamic Da'awah Academy

We have audited the financial statements of the Islamic Da'awah Academy for the year ended 31 March 2021 which comprise of the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and the related notes.

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), in particular FRS102 (effective 1 January 2015). This report is made solely to the charity's Trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
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Auditors Report to the Trustees of the Islamic Da'awah Academy

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Signed: *Nasir Laher*

Date: 13th January 2022

Accountancy Management Services SBU Ltd
455 Whalley New Road
Blackburn
BB1 9SP

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Statement of Financial Activities (including Income and Expenditure account)
For the Year ended 31st March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Totals 2021 £	Totals 2020 £
Income from:						
<u>Income from Donations and Legacies</u>						
Voluntary income	2	234,046	25,272	194,272	453,590	683,223
Disaster appeal	2	-	163,685	-	163,685	106,375
	2	234,046	188,957	194,272	617,275	789,598
Tax refunds		14,885	-	-	14,885	14,480
<u>Income from charitable activities</u>						
Fees from students		-	463,531	-	463,531	612,526
Publications		30,810	-	-	30,810	88,883
<u>Income from other trading activities</u>						
Bookshop income		22,164	-	-	22,164	58,052
Investment income	3	38,034	-	-	38,034	28,201
Other income		-	2,799	-	2,799	5,335
Total Income		339,939	655,287	194,272	1,189,498	1,597,076
<u>Expenditure on:</u>						
<u>Expenditure on raising funds</u>						
Shop expenditure	4	21,344	-	-	21,344	52,847
		21,344	-	-	21,344	52,847
<u>Expenditure on charitable activities</u>						
Cost of activities in furtherance of the Charity's objects						
Publication costs		24,920	-	-	24,920	63,211
Student costs	5	-	395,386	-	395,386	414,692
Running costs and maintenance of Academy	5	42,928	-	-	42,928	73,042
Support costs of charitable activities	5	-	-	-	-	13,753
Management and administration expenditure	5	84,099	-	-	84,099	71,493
Depreciation		8,049	2,586	141,697	152,333	150,244
Donation to disaster appeals		-	201,723	-	201,723	68,007
		159,996	599,696	141,697	901,389	854,440
Total Expenditure		181,340	599,696	141,697	922,733	907,288
Other unrealised gains & (losses)	14	-	-	(61)	(61)	31
Net Income		158,600	55,591	52,513	266,704	689,819
Fund Balances brought forward		2,664,510	1,639,913	6,647,715	10,952,139	10,262,319
Transfer between funds	15	25,000	(25,000)	-	-	-
Fund Balances carried forward		2,848,110	1,670,504	6,700,228	11,218,842	10,952,139

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.
The accompanying notes on pages 14 to 17 form part of these financial statements.

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Balance Sheet as at 31st March 2021

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Totals 2021 £	Totals 2020 £
Fixed Assets:						
Tangible Fixed Assets	8	313,767	14,655	6,125,141	6,453,564	6,455,896
Investments	9	731,162	-	-	731,162	731,162
		<u>1,044,929</u>	<u>14,655</u>	<u>6,125,141</u>	<u>7,184,726</u>	<u>7,187,058</u>
Current Assets:						
Stock and Work in Progress	10	28,527	-	-	28,526	25,568
Debtors	11	-	71,322	-	71,322	27,710
Cash at Bank and in Hand	12	1,778,247	1,662,583	575,086	4,015,917	3,781,323
		<u>1,806,773</u>	<u>1,733,905</u>	<u>575,086</u>	<u>4,115,764</u>	<u>3,834,601</u>
Creditors:						
Amounts falling due within one year	13	3,593	78,055	-	81,648	69,521
Net Current Assets/(Liabilities)		<u>1,803,181</u>	<u>1,655,850</u>	<u>575,086</u>	<u>4,034,117</u>	<u>3,765,081</u>
Total Assets less Current Liabilities		<u>2,848,110</u>	<u>1,670,504</u>	<u>6,700,229</u>	<u>11,218,842</u>	<u>10,952,139</u>
Net Assets		<u>2,848,110</u>	<u>1,670,504</u>	<u>6,700,229</u>	<u>11,218,842</u>	<u>10,952,139</u>
Funds:						
Endowment funds		-	-	6,700,228	6,700,228	6,647,715
Restricted funds		-	1,670,504	-	1,670,504	1,639,913
<u>Unrestricted funds</u>						
General reserves		2,526,267	-	-	2,526,267	2,342,667
Revaluation reserve		321,843	-	-	321,843	321,843
Total Funds		<u>2,848,110</u>	<u>1,670,504</u>	<u>6,700,228</u>	<u>11,218,842</u>	<u>10,952,139</u>

Approved by the Trustees and signed on their behalf by



A Sidat
Trustee

Date 13th January 2022

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Statement of Cash Flows for the Year ended 31st March 2021

	Note	Totals 2021 £	Totals 2020 £
Cash flows from operating activities:			
Net cash provided by operating activities	(a)	196,621	619,909
Cash flows from investing activities:			
Income from investments		38,034	28,201
Purchase of land, property, plant and equipment		-	(315,726)
Investments (Purchases / Improvements)		-	(26,162)
Net Cash provided by (used in) investing activities			
Cash flows from financing activities:			
Repayment of borrowings		-	(15,000)
Effect of exchange rate fluctuations on cash held		(61)	31
Change in cash and cash equivalents in the reporting period		234,593	291,255
Cash and cash equivalents at the beginning of the reporting period		3,781,323	3,490,069
Cash and cash equivalents at the end of the reporting period		4,015,917	3,781,323

Notes to the Statement of Cash flows

a) Reconciliation of net income/(expenditure) to net cash flow from operating activities

Net income for the reporting period (before exchange rate movements)	266,765	689,788
Depreciation charges	152,333	150,244
Income from investments	(38,034)	(28,201)
(Increase)/decrease in stocks	(2,958)	17,422
(Increase)/decrease in debtors	(43,612)	(6,151)
Increase/(decrease) in creditors	12,127	(23,192)
Endowment donation	(150,000)	(180,000)
Net cash provided by operating activities	196,621	619,909

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Notes to the Financial Statements

1. Accounting Policies

(a) Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the statement of recommended practice (SORP), "Accounting and reporting by charities, Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the financial reporting standard applicable in the UK and Republic of Ireland (FRS102) and as updated by Update Bulletin 1 (February 2016).

(b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees for the furtherance of the general objectives of the charity and have not been put aside for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions, which have been raised by the charity for a specific purpose. The cost of raising and administering such funds are charged against the specific fund.

Endowment funds are funds where there is no power to convert the capital into income. This is known as a permanent endowment fund. A permanent endowment fund must normally be held indefinitely. Where Trustees have the power to convert endowment funds into income, such funds are known as expendable endowments. A gift of an expendable endowment provides the Trustees with the power to convert all or part of it into income.

(c) Investment income

Income from investments and from rental income is included in the Statement of Financial Activities in the year in which it is receivable.

(d) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed under the various projects. For legacies, entitlement is the earlier of the charity being notified of an impending distribution of the legacy being received. Donated facilities are included at a value to the charity when this can be quantified and a third party is bearing the cost.

(e) Resources expended

All expenditure is accounted for an accruals basis and has been classified under the heading that aggregates all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on the basis consistent with the use of resources.

(f) Tangible Fixed Assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including incidental expenses of acquisition.

(g) Depreciation

Depreciation is calculated on all tangible fixed assets at rates calculated so as to write off the cost of the asset less its estimated residual value over the useful economic life of that asset as follows:

Freehold Land	2% per annum on a straight line method
Freehold Buildings	2% per annum on a straight line method
Fixtures & Equipment	15% per annum on a reducing balance

(h) Investment revaluation

Fixed asset investments are revalued at the market value as at the Balance Sheet date based on independent valuations from an external valuer.

(i) Stock

Stock consists of purchased goods for resale. Stock is valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

(j) Accrued and Deferred Income

Accrued and Deferred Income represents the difference between course fees received from students up to the financial year end, and the amount of student fee income recognised in the Statement of Financial Activities on a pro rata basis across the academic period the fees relate to.

ISLAMIC DA'AWAH ACADEMY
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Notes to the Financial Statements

2. Donations & gifts

	2021	2020
	£	£
Individuals	559,531	715,482
Corporate Donors	57,745	74,117
	<u>617,275</u>	<u>789,598</u>

3. Investment income

	2021	2020
	£	£
Income from rental properties	38,034	28,201
	<u>38,034</u>	<u>28,201</u>

4. Cost of generating funds

	2021	2020
	£	£
Shop - Purchases for Resale	21,344	52,847
	<u>21,344</u>	<u>52,847</u>

5. Cost of activities in furtherance of the charity objects

	2021	2020
	£	£
Student costs:		
Teaching staff	309,542	293,814
Food & Board	21,079	37,862
Education costs	145	3,109
Light & Heat	41,459	46,313
Rates & Insurance	7,443	15,818
Telephone costs	1,381	1,301
Other costs	6,586	10,773
Repairs & Maintenance	7,749	5,702
	<u>395,386</u>	<u>414,692</u>

	2021	2020
	£	£
Running costs and maintenance of Academy:		
Light & Heat	18,926	31,402
Rates & Insurance	12,920	10,718
Telephone & Stationary	1,430	4,920
Repairs & Maintenance	6,334	16,529
Cleaning & Sundries	3,317	9,473
	<u>42,928</u>	<u>73,042</u>

	2021	2020
	£	£
Support costs of charitable activities:		
Running costs	-	13,753
	<u>-</u>	<u>13,753</u>

	2021	2020
	£	£
Management and administration expenditure:		
Wages	84,099	71,493
	<u>84,099</u>	<u>71,493</u>

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Notes to the Financial Statements

5. Cost of activities in furtherance of the charity objects continued

Analysis of Management and administration expenditure:				2021	2020
				£	£
	Education	Publications	Religious Services		
Finance	6,488	-	-	6,488	5,601
Admin	28,877	21,547	12,862	63,286	49,804
HR	6,862	270	1,348	8,480	11,293
PR	2,236	-	3,609	5,845	4,794
Total	44,462	21,817	17,820	84,099	71,493

Note: Allocation based on time spent

6. Trustees remuneration

	2021	2020
	£	£
The amount of remuneration or other benefits paid to a Trustee of the charity were as follows:		
Ayaz Sidat	11,444	10,803
	11,444	10,803

7. Staff costs

	2021	2020
	£	£
Wages & Salaries	387,563	360,753
Social Security Costs	6,079	4,554
	393,641	365,307
Average number of employees:		
Teaching staff	47	45
Administration staff	6	6

8. Tangible fixed assets

	Land & Property	Fixtures & Equipment	Total
Cost	£	£	£
As at 1st April 2020	7,250,598	131,778	7,382,376
Additions in the year	150,000	-	150,000
As at 31st March 2021	7,400,598	131,778	7,532,376
Depreciation			
As at 1st April 2020	824,348	102,132	926,480
Charge for the year	147,886	4,447	152,333
As at 31st March 2021	972,234	106,579	1,078,813
Net Book Value			
As at 31st March 2021	6,428,364	25,199	6,453,564
As at 1st April 2020	6,426,250	29,646	6,455,896

ISLAMIC DA'AWAH ACADEMY
120 MELBOURNE ROAD
LEICESTER

Notes to the Financial Statements

9. Fixed Asset Investments

	2021	2020
	£	£
Market value at the start of the period	731,162	705,000
Additions in the year	-	26,162
Revaluation	-	-
Market value at the end of the period	<u>731,162</u>	<u>731,162</u>

Breakdown of the market value of investments shown in the balance sheet and the income from them

	Market Value		Investment income	
	2021	2020	2021	2020
	£	£	£	£
Investment properties	731,162	731,162	38,034	28,201

10. Stock and Work in Progress

	2021	2020
	£	£
Books for resale	28,526	25,568

11. Debtors

	2021	2020
	£	£
Accrued income	71,322	27,710
	<u>71,322</u>	<u>27,710</u>

12. Cash at Bank and in Hand

	2021	2020
	£	£
Cash at Bank	3,999,072	3,763,218
Cash in Hand	16,845	18,105
	<u>4,015,917</u>	<u>3,781,323</u>

13. Creditors: amounts falling due within one year

	2021	2020
	£	£
Deferred Income	58,139	44,093
Other creditors	23,509	25,428
	<u>81,648</u>	<u>69,521</u>

14. Other unrealised gains & (losses)

	2021	2020
	£	£
Revaluation of foreign currency balances	(61)	31
	<u>(61)</u>	<u>31</u>

15. Transfer between funds

	2021	2020
	£	£
Bank balance	25,000	-
	<u>25,000</u>	<u>-</u>