MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

England & Wales · Charity number 1073862

Details

Status	Registered
Legal form	Charitable company
Company number	03544402
Registered	1999-02-08
Register	View on the Charity Commission register

Contact

Address	Hartley Hall Alexandra Road South Manchester M16 8NH
Phone	01618607575
Email	trust.office@miet.org.uk
Website	www.mietltd.org.uk

Activities

Objects: THE ADVANCEMENT OF EDUCATION AND RELIGION. FOR FULL DETAILS SEE CLAUSE 3 OF THE MEMORANDUM AND ARTICLES

Activities: Education

Classification

- **How:** Makes Grants To Organisations, Other Charitable Activities
- **What:** Education/training, Religious Activities
- **Who:** Children/young People

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Geography

- **Area of benefit:** UNITED KINGDOM
- Manchester City

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£4,569,322	£4,913,243	£10,098,305	117
2023-08-31	£11,453,970	£4,410,424	£10,442,226	120
2022-08-31	£3,395,463	£3,232,341	£3,398,680	122
2021-08-31	£2,971,931	£3,018,673	£3,235,558	114
2020-08-31	£3,116,666	£3,158,895	£3,282,300	113

Trustees

Name	Role	Appointed
Farroukh Zaheer	Chair	
ABDULKADIR KAWOOYA		
Ammar Yasir Rahman		2024-08-03
Dr Abdullah Al Majid		
Dr HAMAD AL MAJED		
Dr HAYTHAM AL KHAFFAF		
Farhat Javid		2015-02-05
IMAD AL-SALAM		
MR Aman Sheikh		2017-06-12
NASAR MAHMOOD		
SAMER SALAM		
Shehzad Anwar Chaudhri		2022-11-16

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MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

England & Wales - Charity number 1073862

Accounts

REGISTERED COMPANY NUMBER: 03544402
REGISTERED CHARITY NUMBER: 1073862

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

REPORT OF THE TRUSTEES AND

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

Xeinadin Audit Ltd (Statutory Auditor)
Ground Floor
Citygate
Longridge Rd
Preston
PR2 5BQ

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

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FOR THE YEAR ENDED 31 AUGUST 2024

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MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 AUGUST 2024

Trustees	Dr A Al Majid Dr H Al Majid Mr M S Al-Astewani Dr H S A Al-Khaffaf Mr I A B Al-Salam Mrs F Javid Mr A A O Kawooya Mr N Mahmood Mr S B Salam Mr A U Sheikh Mr F Zaheer Mr S A Chaudhri Mr A Y Rahman (appointed 3.8.24)
Registered office	Hartley Hall Alexandra Road South Manchester M16 8NH
Registered company number	03544402
Registered charity number	1073862
Auditors	Xeinadin Audit Ltd (Statutory Auditor) Ground Floor Citygate Longridge Rd Preston PR2 5BQ

The trustees, who also serve as directors of the charity under the Companies Act 2006, present their report along with the financial statements of the charity for the year ending 31 August 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts following the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2019). The trustees who served during the year and up to the date of this report are listed on page 1.

Manchester Islamic Educational Trust (MIET) Ltd was incorporated on 9 April 1998 as a company limited by guarantee under company number 3544402 and has been granted charitable status under the Charities Act 1960, on 8 February 1999 under registration number 1073862. MIET operates KD Grammar School for Boys, Manchester Islamic Grammar School for Girls (formerly known as Manchester Islamic High School for Girls) - the name change has been approved by the Department for Education, and Manchester Muslim Preparatory School. These schools operate from two different sites.

While following the national curriculum like mainstream schools, these schools, in addition, also place a strong emphasis on the provision and teaching of the Islamic faith to enrolled pupils. This ensures that when they leave school, their direction is established toward higher education and high achievements, while also modelling themselves as modern British Muslims, strong and confident in their faith. Some of our pupils have excelled and have joined Cambridge and Oxford Universities.

The autumn term was marked by a major milestone as we successfully relocated MIGSG and MMPS to our new site in September, setting the tone for a transformative and inspiring start to the academic year. We were especially pleased to have passed the material change inspection ahead of the move-an outcome that reflects the meticulous planning, rigorous compliance, and collaborative effort of everyone involved in the project. The confirmation that the new premises meet all required standards for both pupils and staff represents a significant achievement in the Trust's history.

This milestone not only marks the physical realisation of a long-standing vision but also ushers in a new era of educational opportunity, with an environment purpose-built to support learning, collaboration, and holistic development. The transition to the new building has provided both schools with expanded classroom capacity and upgraded facilities, greatly enhancing the overall learning experience for our pupils.

A further highlight this year was the successful integration of Manchester Muslim Preparatory School (MMPS) into the new campus in January. Since then, both MMPS and Manchester Islamic Grammar School for Girls (MIGSG) have operated seamlessly under one roof, with a strong and growing spirit of collaboration between the Senior Leadership Teams. With such a significant move and both schools now sharing a single site, some challenges have naturally arisen; however, these have been swiftly and effectively addressed to ensure minimal disruption and to maintain the high standards expected across both institutions. This unified approach continues to strengthen our schools' shared vision and capacity for educational excellence.

Land and buildings on these sites are fully owned by MIET. The Trust, which is a limited company, is governed by the policies made from time to time by the trustees together with the terms of its Memorandum and Articles of Association, which set out the objects and powers of the company. The trustees are also directors of the charity under the Companies Act 2006. The power of appointing new trustees is vested in the trustees. The procedure to appoint or withdraw a trustee is adopted under the Trust Deed.

New appointments must serve a minimum probationary period of six months, or longer as the case may be, based on personal competence, independence of character, judgment, and specialist skills, and there are no relationships or circumstances likely to affect, or could appear to affect, the Board's judgment. Subject to a satisfactory outcome of the probationary period, a permanent trusteeship may be offered. The Board may also, by unanimous agreement as specified in its Memorandum and Articles of Association, appoint an employee as a Trustee, provided no special financial gain may accrue to this Trustee. No such appointments or resignations took place during the reporting period.

An appropriate level of instruction is provided for both new and existing Trustees to update their knowledge and place them in a position where they can sensibly identify their role and responsibilities. From time to time, Trustees go on formal relevant training courses that our Schools and individual Trustees identify are required for them to be able to discharge his/her duty.

Moreover, the Trustees are also encouraged to attend relevant external briefings and training courses. They are particularly encouraged to attend various schools' functions and to meet with members of the Senior Leadership Team and staff to understand further the nature of the schools' business. Moreover, the Trustees meet regularly to manage the affairs of the schools and to discuss other affairs. The Board comprises members from a variety of backgrounds, and there are sub-committees dealing with various aspects of the operation. All major decisions are ratified by the Board of Trustees. Additionally, the trustees are responsible for setting out the strategy of the Trust and monitoring its progress towards the stated aims and objectives. No additional trustee was appointed, and no trustee resigned during this year.

Staff and management are required to progress the aims and objectives of the schools under the Trust's control. Furthermore, pupils and staff are continuously encouraged to contribute to the local and wider community by establishing and developing links at various levels. The day-to-day management of each school is delegated to the respective Headteacher, supported by their Senior Management/Leadership Team. The Head of each School undertakes the key leadership role, overseeing the educational, pastoral, and administrative functions in consultation with the senior staff. The day-to-day administration of each School is undertaken in line with the policies and procedures approved by the Trust. Significant expenditure decisions and major capital projects are referred to the Trust for prior approval by the school management. In addition, there are sub-committees covering staffing, curriculum, safeguarding, health & safety, finance, and buildings, which meet more regularly and are attended by the respective school leaders. This team, in turn, delegates the responsibility to the teaching and non-teaching staff to ensure smooth implementation.

The Trust is overseen by the Board of Trustees, which annually appoints a Chairperson, Vice Chairperson, and Treasurer. Additionally, the Board appoints various coordinators and personnel responsible for crucial policies pertaining to the schools, such as Safeguarding of children, Health & Safety, Finance, and the Ethos and Vision of the schools and the Trust. Furthermore, the Trustees have employed a Trust Administrative Manager to provide comprehensive oversight of the school's operations and performance. This manager reports to the Chairperson, Vice Chairperson, and Treasurer.

Each school boasts a dedicated professional leadership team, with many members already trained in Senior Leadership roles or actively encouraged to pursue such training from accredited institutions. The Trust bears the cost of this training. Moreover, school leadership is encouraged to foster middle leadership skills among staff and departments within each school.

The Trust's primary objective is to advance education in the United Kingdom, alongside Islamic education. It aims to provide and maintain schools in the UK to facilitate young individuals in understanding the doctrines and practices of the Islamic faith and the Arabic language. The Trust adheres to current regulations, actively promoting the government's Prevent Strategy and the values of democracy and British society.

Objectives and activities
Objectives and aims
Investment policy
The Board of Trustees is authorised under the Memorandum and Articles of Association to make and hold investments using the general funds of this Charity. However, no such investments are presently held or have been made. Part of one of Trust's properties, the North Wing of Hartley Hall, is rented to Hartley Hall of Residence Ltd, and it has not been valued separately. No separate valuation for the part of the property rented to Hartley Hall of Residence has been done as the trustees feel it would not serve any purpose, as the property in its entirety has been valued for rebuilding purposes. To obtain a fair rent, an outside rental valuation agency was previously employed to determine this. Rent based on this valuation is being received from Hartley Hall of Residence.

Risk management
The trustees actively review the major risks which the charity faces regularly and believe that maintaining reserves, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks. In addition to the risk assessments carried out for insurance, the schools also carry out numerous other risk assessments as required by the various regulations governing schools.

Additionally, in accordance with normal commercial practice, the Trust has purchased insurance, which also includes protection for the Trustees and staff from claims arising from negligent acts, errors, or omissions occurring whilst on School business.

Intended impact and strategies

Within these objectives, MIET aims to provide services that are beneficial to the community it serves. The charity's goal is to benefit the public in the broadest sense by educating children in a faith-based ethos and environment. MIET firmly believes that such an ethos and environment serve the public interest and are beneficial for the children who receive the services provided. Education rooted in a faith ethos lays a strong foundation for higher education, enabling individuals to become better citizens who can contribute more effectively to the nation. For these reasons, MIET initially established faith-based schools: the Islamic High School for Girls in 1992 (now known as Manchester Islamic Grammar School for Girls), followed shortly thereafter by Manchester Muslim Preparatory School. KD Grammar School for Boys was established in 1999.

The schools implement the aims and objectives of the Trust and further the interest of public benefit by striving to provide an outstanding independent education. This is achieved through rigorous academic tuition, fostering awareness of spiritual values, and developing artistic, moral, cultural, and social skills in all pupils. The aim is to create an environment where each pupil can begin to realise their potential, thereby building self-confidence and self-esteem in preparation for a contented and fulfilling life, contributing to the welfare of the wider community. Education appropriate to the needs of boys and girls aged 3 to 16 is offered.

Progression is as important as attainment; the schools consistently achieve a higher value-added component to their educational mix and regime than the national average. As diagnostic tools become more sophisticated, it is increasingly evident that some children require specialist SEND support. The schools are equipping themselves to provide this support wherever possible. The Trust has committed to continually upskill its SEND coordinators to enhance provision and service in this area.

The Trustees aim to create a supportive and caring environment where each pupil is recognised and educated as an individual. MIET seeks to produce academically and spiritually well-educated young men and women with highly developed interpersonal skills and a broad range of interests, enabling them to compete at any level.

Over the years, the Trust has extended additional financial help and assistance to those less fortunate who have difficulty paying full fees, as well as offering discounts to siblings. The trustees continue to explore the possibility of offering A-levels at the schools for pupils who have completed their GCSEs.

It is worth mentioning that no discounts or incentives, financial or otherwise, are offered to any trustee with a child enrolled in any of our schools. The Trust's marketing and effective fundraising efforts in recent years have sparked increasing community interest, resulting in higher-than-usual enrolment applications and the successful purchase of the new building.

Trustees, EHT, and the SLT teams from both High schools were very pleased with our outstanding 2023 GCSE exam results, where all pupils in the high schools achieved their full potential and aspirational grades. Academic performance across the Trust remained strong during the year, reflecting the collective efforts of pupils, staff, and leadership teams. We are particularly proud of the achievements at Manchester Islamic Grammar School for Girls (MIGSG), where the GCSE results in August 2023 were outstanding. These results are a true reflection of the dedication and hard work of our pupils, alongside the tireless support of both teaching and non-teaching staff. In addition, the school continues to grow steadily, with three full Year 7 form entries-a clear indication of the school's growing reputation and the continued trust placed in it by the community.

We hope to replicate these outcomes, and the level of improvement accomplished will reflect on all subsequent cohorts. To that purpose, the Schools implement intervention strategies in every subject, typically, this begins in January, but this year, the school began at the start of the academic year to enhance pupil support.

This year, our high schools held their annual presentation evenings on separate occasions, once again celebrating pupils' achievements with enthusiasm and pride. The events were well-attended and reflected the vibrant spirit of each school community. The spring and summer terms remained busy with a full calendar of activities, enrichment opportunities, and the continued settling-in process at the new site following the successful relocation in September. Although school fees had increased for the current academic year, only a small number of parents chose to withdraw their children, however, there was a renewed interest in our schools from other parents - an indication of the community's continued confidence in the schools. Staff have continued to respond positively to the new pay scheme, which remains well-received and appreciated across all schools. The scheme has contributed to improved morale, stronger staff retention, and a shared sense of being valued and supported in their roles. This positive response has been further reinforced by strong leadership and management support; this has contributed to maintaining high levels of staff performance and commitment to our schools' shared goals. This year marked the first full academic year in our newly acquired building, which has quickly become a vibrant hub for staff, pupils, and parents alike. A series of welcome events and orientation sessions were successfully held for new families joining us in September. Staff also continued to engage with both current and prospective parents from both schools, showcasing the facilities and highlighting the opportunities the new site offers for enhanced learning and community engagement.

This year marked the first full academic year with both MMPS and MIGSG operating under the oversight of the Independent Schools Inspectorate (ISI), following successful registration with the Independent Schools Association (ISA) last year. All MIET schools are now regulated by a single inspectorate, ensuring alignment in standards across the Trust. MIGSG, having met all regulatory requirements in its first compliance inspection in June 2024, continues to uphold the standards set by ISI.

Financial management remained responsible and prudent, with discretionary funds directed towards high-impact areas to enhance the pupil experience. Enrolment levels across the schools remained stable, and the Trustees remain confident in the Schools' continued ability to meet the objectives set out in the Articles of Association.

Strategic report

Achievement and performance

The trustees are pleased that the academic attainment and achievement of our schools have shown improvement throughout the year. The public examination results for GCSEs continued to reflect the high level of progress, improvement, and achievement expected from the pupils at both schools. Teaching and learning continue to improve. Staff are continuously being trained to improve in this area; regular CPDs and staff insets are organised; extra-curricular activities continue to expand. The organisation of interfaith exchange programmes, fundraising for various Appeals and Charities, such as Penny Appeal, Islamic Relief, British Heart Foundation, etc., is again being regularly conducted to impart the importance of such activities in raising awareness among the children and character building. The aim is to foster an appreciation amongst our pupils of the needs of others less fortunate than themselves. This social awareness and sensitivity are fostered by regular fundraising. For all good causes, the Schools raised around £610,702 during the year. The Trustees are also satisfied that the schools achieve their stated objectives throughout the year. The annual Umrah trip remains a cherished and impactful experience for pupils and staff from both high schools. It continues to serve as a valuable initiative, not only nurturing spiritual growth and a strong sense of community, and supporting our schools' wider visibility and appeal. The trip reflects a unique ethos and well-rounded educational values upheld by our schools. Ongoing enthusiasm and positive responses from pupils, parents, and the broader community reaffirm its significance and the role it plays in enhancing the Trust's reputation.

In line with maintaining the buildings and keeping the schools in good and presentable condition, and to fulfil the Health & Safety guidelines, regular repair and maintenance work is carried out. The schools' computer systems are regularly upgraded or replaced, as necessary, to support and enhance the quality of education. The schools have interactive boards as an additional resource to be used by staff to inform the pupils better and facilitate their educational experience more robustly. All this is in line with the Trust's strategy to improve their educational facilities and to provide an atmosphere where pupils can feel safe and learn in an environment conducive to learning.

The Trustees' policy is to award scholarships based on the individual's ability. Whether or not a scholarship is offered, parents also have the opportunity to apply for a means-tested bursary to supplement it so that their children can come to the schools. Means-tested bursaries are also available to new entrants to the School to widen public access, and they are also available to existing parents encountering unforeseen hardship through no fault of their own, whose children's education is at a critical stage.

In line with the policy and vision of the Trust, MIET aims to provide British values to their pupils, which is in no way different from the values expressed by their faith: values of tolerance, peace, coexistence, to be charitable, etc. The pupils are taken to houses of worship of other religions and faiths; pupils of other faiths are invited to visit our schools, and pupils from our schools visit schools of other faiths or none.

Each school is fortunate to have staff that is hard working and fully committed, and, in turn, is led by a capable leader and Senior Management/ Leadership Teams. New structure in the form of a promotion of a senior leadership member to the position of Headteacher or a leader, under the guidance of the very experienced executive Headteacher. The position of the Executive Headteacher, a scheme which was instituted in 2017, includes oversight of all three schools, providing guidance when needed, experience, and support when and where required. There have been a few staff changes during the year at all the schools; this is in line with such changes taking place at all schools during the academic year. The Boys School and the Preparatory School also have a Deputy Headteacher to help the leadership. The Senior Management/ Leadership Team of each school continues to review the curriculum and extra-curricular activities to ensure their relevance in improving the quality of education. Under its charitable objectives, the Schools continued to provide a high-quality education blended with faith-based subjects and curriculum for its pupils. The Schools will continue to improve and broaden their curriculum using ongoing feedback.

Strategic report

Financial review

Financial position

Our schools' principal funding sources are from school fees, which amounted to £3,757,089 (2023: £3,190,331). The schools continue to hire out facilities, including during vacations and after-school hours, and have contributed £96,115 to the income. This facility is provided to the community and the public at discounted prices/rates to facilitate ease of availability to benefit the community and public. Overhead percentage has remained fairly consistent throughout the period.

Although the principal source of funding for running the schools is the fee charged from the pupils, fundraising is being pursued continuously by the schools and the Trust to augment the funds needed.

Reserves policy

This policy details that the charity presently maintains unrestricted funds and sufficient asset value to cover unforeseen and major expenditure and shortfalls in income of at least two months. This reserve is to be considered unrestricted. The trustees remain confident in their ability to raise the necessary funds, thereby adhering to the maintenance of a balanced budget.

The Trust also has the following written policies:
1. Volunteer policy.
2. Conflict of interest policy.
3. Investment policy.

Going concern

The trustees consider that the projected net income and the value of realisable assets will be more than adequate to cover the current liabilities of the charity. Hence, the trustees conclude that the accounts comply with the requirements of the Trust's governing body, and it remains a going concern.

Remuneration policy

The charity follows a policy on remuneration very much dependent on the demand and supply of requirement of personnel with a particular skill set or specialism at the given time. It nevertheless considers the overall budgetary and financial position of the charity at that particular time. The risk of losing personnel to other organisations willing to pay more lucrative remuneration always exists; however, the charity offsets this by employing younger personnel. It institutes a very rigorous and robust training and professional development programme to add and provide rigour to teaching and learning and other areas associated with improving the provision of education. Another attraction offered, especially to the higher management level staff, is to provide a very pleasant and friendly workplace environment where they are made to feel important and valued.

Strategic Report, financial review, plans for future periods

The key plans related to the charitable aspects of the schools remain as follows:
1. Improvement in teaching & learning;
2. Prepare for future school inspections.
3. To maintain our schools' continuous work in giving our pupils every opportunity to be the best they can be, both in and outside the classroom;
4. High expectations and learning strategies tailored to the individual pupil lead to high levels of attainment;
5. Pupils are encouraged to take on challenges, to overcome setbacks, and to see failure as part of the journey to success, to develop the resilience, initiative, flexibility, creativity, and collaborative skills that will prepare them for the next stage of their education and later life.
6. Our plans are financed primarily from fee income and other resources. The Trustees view our bursary and scholarship awards as important in widening access to the education our schools provide and are committed to maintaining these budgets in the future.
7. Greater emphasis was given to continuous development & training of staff members so that improved teaching and learning and greater numbers could be classified as "Outstanding" and "Good" in their field of work;
8. Continued forensic review of budgets and financial spending;
9. Improvement of the marketing plans for recruiting extra pupils in all schools;

A. Manchester Islamic Grammar School for Girls and Manchester Muslim Preparatory School have relocated to a larger site that can accommodate both schools and allow future expansion.
B. Having both schools on one site will allow the reduction in management staff and will permit the use of other non-teaching and teaching staff much more efficiently because of having both schools in one place. This will, of course, release more income to raise educational achievement and long-term sustainability.
C. One important consideration which should not be ignored is the impression and the feeling of pride that the establishment of these Islamic schools on this site and in this building will have on our community, and the message it will carry to all communities in the area.

Structure, governance and management
Governing document
The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Statement of trustees' responsibilities
The trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the trustees are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

In so far as the trustees are aware:
- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors
The auditors, Xeinadin Audit Ltd (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..24/06/2025.. and signed on the board's behalf by:

.....
Mr F Zaheer - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

Opinion

We have audited the financial statements of Manchester Islamic Educational Trust Ltd (the 'charitable company') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:
- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charities sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in notes to accounts were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- in response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Farook Patel (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Ltd (Statutory Auditor)
Ground Floor
Citygate
Longridge Rd
Preston
PR2 5BQ

Date: 26/06/2025

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds £	Restricted fund £	2024 Total funds £	2023 Total funds £
Income and endowments from					
Donations and legacies	2	610,702	-	610,702	475,433
Charitable activities	4				
Charitable activities		3,862,505	-	3,862,505	3,316,540
Investment income	3	96,115	-	96,115	78,000
Other income		-	-	-	7,583,997
Total		4,569,322	-	4,569,322	11,453,970
Expenditure on					
Charitable activities	5				
Charitable activities		4,913,243	-	4,913,243	4,410,424
NET INCOME/(EXPENDITURE)		(343,921)	-	(343,921)	7,043,546
Reconciliation of funds					
Total funds brought forward		10,442,226	-	10,442,226	3,398,680
Total funds carried forward		10,098,305	-	10,098,305	10,442,226

The notes form part of these financial statements

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD (REGISTERED NUMBER: 03544402)

STATEMENT OF FINANCIAL POSITION
31 AUGUST 2024

	Notes	Unrestricted funds £	Restricted fund £	2024 Total funds £	2023 Total funds £
Fixed assets					
Tangible assets	10	15,621,324	-	15,621,324	14,856,565
Current assets					
Debtors	11	305,533	-	305,533	910,699
Cash at bank and in hand		141,032	-	141,032	126,351
		446,565	-	446,565	1,037,050
Creditors					
Amounts falling due within one year	12	(2,656,876)	-	(2,656,876)	(738,656)
Net current assets		(2,210,311)	-	(2,210,311)	298,394
Total assets less current liabilities		13,411,013	-	13,411,013	15,154,959
Creditors					
Amounts falling due after more than one year	13	(3,312,708)	-	(3,312,708)	(4,712,733)
NET ASSETS		10,098,305	-	10,098,305	10,442,226
Funds	15				
Unrestricted funds				10,098,305	10,442,226
Total funds				10,098,305	10,442,226

The financial statements were approved by the Board of Trustees and authorised for issue on ....24/06/2025... and were signed on its behalf by:

.....
Mr F Zaheer - Trustee

The notes form part of these financial statements

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	541,260	2,349,342
Net cash provided by operating activities		541,260	2,349,342
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,135,076)	(13,585,740)
Sale of tangible fixed assets		-	9,104,258
Net cash used in investing activities		(1,135,076)	(4,481,482)
Cash flows from financing activities			
New loans in year		1,031,000	3,491,500
Loan repayments in year		(422,503)	(1,521,500)
Net cash provided by financing activities		608,497	1,970,000
Change in cash and cash equivalents in the reporting period		14,681	(162,140)
Cash and cash equivalents at the beginning of the reporting period		126,351	288,491
Cash and cash equivalents at the end of the reporting period		141,032	126,351

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2024

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

	2024 £	2023 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(343,921)	7,043,546
Adjustments for:		
Depreciation charges	370,317	346,264
Profit on disposal of fixed assets	-	(7,583,997)
Refundable deposits reclassification	-	297,200
Decrease/(increase) in debtors	605,166	(375,254)
(Decrease)/increase in creditors	(90,302)	2,621,583
Net cash provided by operations	541,260	2,349,342

2. Analysis of changes in net debt

	At 1.9.23 £	Cash flow £	At 31.8.24 £
Net cash			
Cash at bank and in hand	126,351	14,681	141,032
	126,351	14,681	141,032
Debt			
Debts falling due within 1 year	(470,000)	(1,808,497)	(2,278,497)
Debts falling due after 1 year	(1,500,000)	1,200,000	(300,000)
	(1,970,000)	(608,497)	(2,578,497)
Total	(1,843,649)	(593,816)	(2,437,465)

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

Income from school fees represents fees earned in respect of the provision of education to pupils during the year. Fees for education to be provided in future years are carried forward as deferred income in the balance sheet.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income from investments is included in the year in which it is receivable.

Resources expended
Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

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

Freehold property	- 2% per annum straight line basis
Short leasehold	- Straight line over 10 years
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on reducing balance

Taxation
The charity is exempt from corporation tax on its charitable activities.

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

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

continued...

1. **Accounting policies - continued**

Fund accounting

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

Company limited by guarantee
Manchester Islamic Educational Trust Limited is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash and bank in hand, trade debtors and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

Cost plus finance
The charity has entered a commodity murabaha purchase and sale agreement with a financial institution for debt finance purposes. Under the terms of the agreement, the charity purchases non-precious metal commodities from the financial institution on a deferred payment basis and sells these through this financial institution to a third party. The payable related to the purchased commodity under an agreement is recognised at the value of consideration paid and is presented as commodity murabaha purchase liability in the statement of financial position. The difference between the sale and purchase price is recognised as a financing cost and accrued on an amortised cost basis over the period of agreement.

Going concern
As of 31 August 2024, the charity has outstanding loans totalling £5,294,005, resulting in a net current liability of £2,210,311. Following the year end, the charity has repaid £1,200,000 of the loans through a new one year bridging facility, with plans to finalise the refinancing of the remaining loans by September 2025; should there be any delays, alternative arrangements can be made with our current lender, Nester Platform Ltd. In light of these circumstances, the trustees believe it is appropriate to prepare the financial statements on a going concern basis, and no adjustments have been made that would indicate otherwise.

2. **Donations and legacies**

	2024	2023
	£	£
Donations received	610,702	475,433

3. **Investment income**

	2024	2023
	£	£
Rents received	96,115	78,000

continued...

4. Income from charitable activities

	Activity	2024	2023
		£	£
School fees	Charitable activities	3,757,089	3,190,331
Books, sundry fees and miscellaneous income	Charitable activities	70,416	126,209
Grants	Charitable activities	35,000	-
		3,862,505	3,316,540

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Islamic Relief	35,000	-

5. Charitable activities costs

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Charitable activities	3,356,049	1,557,194	4,913,243

6. Support costs

	Management	Finance	Information technology	Governance costs	Totals
	£	£	£	£	£
Charitable activities	1,245,034	231,479	25,216	55,465	1,557,194

7. Net income/(expenditure)

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

	2024	2023
	£	£
Auditors' remuneration	6,600	6,000
Depreciation - owned assets	370,317	346,264
Hire of plant and machinery	12,284	8,271
Other operating leases	60,251	163,773
(Deficit)/surplus on disposal of fixed assets	50,000	(7,583,997)

8. Trustees' remuneration and benefits

During the year, the charity paid remuneration of £60,000 (2023: £60,500) to Mr A U Sheikh in addition to their trusteeship.

Trustees' expenses

There were no trustee expenses paid for the year ended 31 August 2024 (2023: £nil).

continued...

9. Staff costs

	2024	2023
	£	£
Wages and salaries	2,706,719	2,362,912
Social security costs	217,162	188,622
Other pension costs	52,416	44,886
	2,976,297	2,596,420

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

	2024	2023
Teaching staff	72	72
Support staff	45	48
	117	120

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£70,001 - £80,000	1	1

The key management personnel of the charity comprise the Trustees, the head teachers and the trust administrators. The total employee benefits of the key management personnel of the charity were £259,712 (2023: £252,189).

10. Tangible fixed assets

	Freehold property	Short leasehold	Plant and machinery
	£	£	£
Cost			
At 1 September 2023	15,423,640	177,909	74,770
Additions	1,077,995	-	-
Disposals	-	(177,909)	-
At 31 August 2024	16,501,635	-	74,770
Depreciation			
At 1 September 2023	761,983	177,909	25,603
Depreciation	330,173	-	7,375
Eliminated on disposal	-	(177,909)	-
At 31 August 2024	1,092,156	-	32,978
Net book value			
At 31 August 2024	15,409,479	-	41,792
At 31 August 2023	14,661,657	-	49,167

continued...

10. Tangible fixed assets - continued

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Cost				
At 1 September 2023	788,110	15,271	15,726	16,495,426
Additions	54,825	-	2,256	1,135,076
Disposals	-	-	-	(177,909)
At 31 August 2024	842,935	15,271	17,982	17,452,593
Depreciation				
At 1 September 2023	653,332	14,845	5,189	1,638,861
Depreciation	28,440	107	4,222	370,317
Eliminated on disposal	-	-	-	(177,909)
At 31 August 2024	681,772	14,952	9,411	1,831,269
Net book value				
At 31 August 2024	161,163	319	8,571	15,621,324
At 31 August 2023	134,778	426	10,537	14,856,565

Manchester Islamic Educational Trust owns two freehold properties and these are situated as follows:

- Hartley Hall, Alexandra Road South, Manchester
- Fielden Campus, Barlow Moor Road, West Didsbury

In the opinion of the Trustees, the cost of professionally valuing these assets to include a value in the accounts outweighs the benefits to the users of the accounts. They are insured for £28m which is an estimate of their reinstatement value.

A fixed and floating charge over the undertaking and all property and assets present and future was created on 23 September 2022 and 10 October 2022 by Nester Platform Ltd. These charges are still outstanding.

11. Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	28,581	38,188
Other debtors	265,508	442,472
Prepayments and accrued income	11,444	14,506
	305,533	495,166
Amounts falling due after more than one year:		
Other debtors	-	415,533
Aggregate amounts	305,533	910,699

continued...

12. Creditors: amounts falling due within one year

	2024	2023
	£	£
Interest free loans (see note 14)	2,278,497	470,000
Trade creditors	184,258	80,507
Social security and other taxes	55,264	61,842
Pension control account	9,763	8,858
Other creditors	99,054	78,904
Refundable deposits	4,500	17,500
Accruals and deferred income	25,540	21,045
	2,656,876	738,656

Till the date of approving these accounts, the charity has repaid a loan of £1,200,000 which is included in interest free loans.

13. Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Interest free loans (see note 14)	300,000	1,500,000
Refundable deposits	297,200	297,200
Murabaha payable	2,715,508	2,915,533
	3,312,708	4,712,733

The charity has entered a commodity murabaha purchase and sale agreement with a financial institution. Under the terms of the agreement, the charity has purchased a non-precious metal commodities from the financial institution on a deferred payment basis and has simultaneously sold these through financial institution to third parties. The outstanding balance as of 31 August 2024 of £2,715,508 represents the purchase price under this agreement. During the year, the financing cost incurred on the commodity murabaha purchase agreement was £200,025.

14. Loans

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year on demand:		
Interest free loans	2,278,497	470,000
Amounts falling between one and two years:		
Interest free loans	300,000	1,500,000

15. Movement in funds

	At 1.9.23	Net movement in funds	At 31.8.24
	£	£	£
Unrestricted funds			
Unrestricted donations	10,442,226	(343,921)	10,098,305
TOTAL FUNDS	10,442,226	(343,921)	10,098,305

continued...

15. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted donations	4,569,322	(4,913,243)	(343,921)
TOTAL FUNDS	4,569,322	(4,913,243)	(343,921)

Comparatives for movement in funds

	At 1.9.22 £	Net movement in funds £	At 31.8.23 £
Unrestricted funds			
Unrestricted donations	3,398,680	7,043,546	10,442,226
TOTAL FUNDS	3,398,680	7,043,546	10,442,226

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted donations	11,453,970	(4,410,424)	7,043,546
TOTAL FUNDS	11,453,970	(4,410,424)	7,043,546

16. Employee benefit obligations

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £52,416 (2023: £44,886).

17. Related party disclosures

During the year, one of the trustee Mr F Zaheer has advanced £25,000 (2023: £25,000) to the charity as a loan. The loan is interest free and repayable on demand.

During the year, one of the trustee Mr S B Salam has advanced £100,000 (2023: £100,000) to the charity as a loan. The loan is interest free and repayable on demand.

During the year, a charity Makki Masjid in which Mr F Zaheer is a trustee has advanced £40,000 (2023: £100,000) to the charity as a loan. The loan is interest free and repayable on demand.

During the year, a charity British Muslim Heritage Centre in which Mr F Zaheer and Mr N Mahmood are trustees has advanced £137,497 (2023: £125,000) to the charity as a loan. The loan is interest free and repayable on demand.

One of the trustee currently sends his children to our schools and fully adheres to this policy by paying the standard school fees without any discounts or special considerations.

During the year, the charity received the following donations from related parties.

continued...

17. Related party disclosures - continued

	2024 Amount (£)	2023 Amount (£)
Hartley Hall of Residence Ltd	125,000	105,000
Trustee Mr S B Salam	-	25,000
Trustee Mr F Zaheer	-	5,000
Brighter Future Initiative	11,000	14,000
Makki Masjid	-	1,368
British Muslim Heritage Centre	87,503	2,835

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

England & Wales - Charity number 1073862

Accounts

REGISTERED COMPANY NUMBER: 03544402
REGISTERED CHARITY NUMBER: 1073862

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

REPORT OF THE TRUSTEES AND

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

Xeinadin Audit Ltd (Statutory Auditor)
100 Barbirolli Square
Manchester
M2 3BD

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD

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FOR THE YEAR ENDED 31 AUGUST 2023

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MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 AUGUST 2023

Trustees	Dr A Al Majid Dr H Al Majid Dr A M Al Saif (resigned 31.10.22) Mr M S Al-Astewani Dr H S A Al-Khaffaf Mr I A B Al-Salam Mr K Z Hafeez (resigned 23.1.23) Mrs F Javid Mr A A O Kawooya Mr N Mahmood Mr S B Salam Mr A U Sheikh Mr F Zaheer Mr S A Chaudhri (appointed 16.11.22)
Registered office	Hartley Hall Alexandra Road South Manchester M16 8NH
Registered company number	03544402
Registered charity number	1073862
Auditors	Xeinadin Audit Ltd (Statutory Auditor) 100 Barbirolli Square Manchester M2 3BD

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2023

The trustees, who also serve as directors of the charity for the purposes of the Companies Act 2006, present their report along with the financial statements of the charity for the year ending 31 August 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). The trustees who served during the year and up to the date of this report are listed on page 1.

Manchester Islamic Educational Trust (MIET) Ltd was incorporated on 9 April 1998 as a company limited by guarantee under company number 3544402 and has been granted charitable status under the Charities Act 1960, on 8 February 1999 under registration number 1073862. MIET operates KD Grammar School for Boys, Manchester Islamic Grammar School for Girls (formerly known as Manchester Islamic High School for Girls) - the name change has been approved by the Department for Education, and Manchester Muslim Preparatory School. These schools operate from three different sites.

While following the national curriculum like mainstream schools, these schools, in addition, also place a strong emphasis on the provision and teaching of the Islamic faith to enrolled pupils. This ensures that when they leave school, their direction is established toward higher education and high achievements, while also modelling themselves as modern British Muslims, strong and confident in their faith. Some of our pupils have excelled and have joined Cambridge and Oxford Universities.

When these two schools, the preparatory and the girls' school, were established, the premises were considered sufficient in terms of their structure, outlook, and size. However, they were segregated from each other as they are geographically located in two different parts of the city. Nearly thirty years have passed since these schools were located in these premises.

The Trust has long recognised the need to find larger and more suitable premises to continue providing services to the much larger and increased community, and to fulfil the vision, aims, and objectives for which the Trust was set up. The Trust had not been successful in locating such premises for some time until recently when we found the ideal premises, namely Fielden campus, located in our catchment area, which came up for sale. The acquisition was completed on 23/09/2022.

The classroom layouts in the new building were originally designed for a further education college. However, classroom requirements differ for high/prep schools' education. Pupils in both of these schools need more space to cater to different groups' abilities and comply with Department for Education (DfE) rules and regulations. A good design team comprising an architect and structural engineer has been carefully selected to understand the needs, overcome design challenges, and guide us through this process to renovate the whole school and classrooms. This will include heating, lighting, acoustics, among other revamps, which will encompass a positive experience all around. The objectives of this project are as follows:

1. The renovated rooms will further enhance teaching and learning activities and comply with applicable codes and standards.
2. Efficiently and expeditiously use the resources allocated for classroom renovations.
3. This will help our schools move up the league tables and attract good pupils as well.

Therefore, starting from the next academic year 2023-2024, Manchester Islamic Grammar School for Girls and Manchester Muslim Preparatory School will move to the new premises. This follows the successful completion of:

A. Sale of the two old sites of Manchester Islamic Grammar School for Girls (formerly known as Manchester Islamic High School for Girls) and Manchester Muslim Preparatory School.
B. Renovation work to convert the new building to suit the requirements for the above-named two schools.

Land and buildings on these sites are fully owned by MIET. The Trust, which is a limited company, is governed by the policies made from time to time by the trustees together with the terms of its Memorandum and Articles of Association, which set out the objects and powers of the company. The trustees are also directors of the charity for the purposes of the Companies Act 2006. The power of appointing new trustees is vested in the trustees. The procedure to appoint or withdraw a trustee is adopted in accordance with the Trust Deed.

New appointments must serve a minimum probationary period of six months, or longer as the case may be, based on personal competence, independence of character, judgment, and specialist skills, and there are no relationships or circumstances likely to affect, or could appear to affect, the Board's judgment. Subject to a satisfactory outcome of the probationary period, a permanent trusteeship may be offered. The Board may also, by unanimous agreement as specified in its Memorandum and Articles of Association, appoint an employee as a Trustee provided no special financial gain may accrue to this Trustee. One new Trustee has been appointed during this period.

An appropriate level of instruction is provided for both new and existing Trustees to update their knowledge and place them in a position where they could sensibly identify their role and responsibilities. From time to time, Trustees go on formal relevant training courses that our Schools and that individual Trustees identify are required for them to be able to discharge his/her duty.

Moreover, the Trustees are also encouraged to attend relevant external briefings and training courses. They are particularly encouraged to attend various schools' functions and to meet with members of the Senior Leadership Team and staff to understand further the nature of the Schools' business. Moreover, the Trustees meet regularly to manage the affairs of the schools and to discuss other affairs. The Board comprises members from a variety of backgrounds, and there are sub-committees dealing with various aspects of the operation. All major decisions are ratified by the Board of Trustees. Additionally, the trustees are responsible for setting out the strategy of the Trust and monitoring its progress towards the stated aims and objectives. No additional trustee was appointed, and no trustee resigned during this year.

Staff and management are required to progress the aims and objectives of the schools under the Trust's control. Furthermore, students and staff are continuously encouraged to contribute to the local and wider community by establishing and developing links at various levels. The day-to-day management of each school is delegated to the respective Headteacher, supported by their Senior Management/Leadership Team. The Head of each School undertakes the key leadership role, overseeing the educational, pastoral, and administrative functions in consultation with the senior staff. The day-to-day administration of each School is undertaken in line with the policies and procedures approved by the Trust. Significant expenditure decisions and major capital projects are referred to the Trust for prior approval by the school management. In addition, there are sub-committees covering staffing, curriculum, safeguarding, health & safety, finance, and buildings, which meet more regularly and are attended by the respective school leaders. This team, in turn, delegates the responsibility to the teaching and non-teaching staff to ensure smooth implementation.

The Trust is overseen by the Board of Trustees, which annually appoints a Chairperson, Vice Chairperson, and Treasurer. Additionally, the Board appoints various coordinators and personnel responsible for crucial policies pertaining to the schools, such as Safeguarding of children, Health & Safety, Finance, and the Ethos and Vision of the schools and the Trust. Furthermore, the Trustees have employed a Trust Administrative Manager to provide comprehensive oversight of the school's operations and performance. This manager reports to the Chairperson, Vice Chairperson, and Treasurer.

Each school boasts a dedicated professional leadership team, with many members already trained in Senior Leadership roles or actively encouraged to pursue such training from accredited institutions. The Trust bears the cost of this training. Moreover, school leadership is encouraged to foster middle leadership skills among staff and departments within each school.

Objectives and activities

Objectives and aims

The Trust's primary objective is to advance education in the United Kingdom, alongside Islamic education. It aims to provide and maintain schools in the UK to facilitate young individuals in understanding the doctrines and practices of the Islamic faith and the Arabic language. The Trust adheres to current regulations, actively promoting the government's Prevent Strategy and the values of democracy and British society.

Intended impact and strategies

Within these objectives, MIET aims to provide services that are beneficial to the community it serves. The charity's goal is to benefit the public in the broadest sense by educating children in a faith-based ethos and environment. MIET firmly believes that such an ethos and environment serve the public interest and are beneficial for the children who receive the services provided. Education rooted in a faith ethos lays a strong foundation for higher education, enabling individuals to become better citizens who can contribute more effectively to the nation. For these reasons, MIET initially established faith-based schools: the Islamic High School for Girls in 1992 (now known as Manchester Islamic Grammar School for Girls), followed shortly thereafter by Manchester Muslim Preparatory School. KD Grammar School for Boys was established in 1999.

The schools implement the aims and objectives of the Trust and further the interest of public benefit by striving to provide an outstanding independent education. This is achieved through rigorous academic tuition, fostering awareness of spiritual values, and developing artistic, moral, cultural, and social skills in all students. The aim is to create an environment where each pupil can begin to realize their own potential, thereby building self-confidence and self-esteem in preparation for a contented and fulfilling life contributing to the welfare of the wider community. Education appropriate to the needs of boys and girls aged 3 to 16 is offered.

Progression is as important as attainment; the schools consistently achieve a higher value-added component to their educational mix and regime than the national average. As diagnostic tools become more sophisticated, it is increasingly evident that some children require specialist SEND support. The schools are equipping themselves to provide this support wherever possible. The Trust has committed to continually upskill its SEND coordinators to enhance provision and service in this area.

The Trustees aim to create a supportive and caring environment where each pupil is recognised and educated as an individual. MIET seeks to produce academically and spiritually well-educated young men and women with highly developed interpersonal skills and a broad range of interests, enabling them to compete at any level.

Over the years, the Trust has extended additional financial help and assistance to those less fortunate who have difficulty paying full fees, as well as offering discounts to siblings. MIET has also instituted a Scholarship Scheme based entirely on academic achievement, allowing each school to award up to five scholarships. The trustees continue to explore the possibility of offering A-levels at the schools for students who have completed their GCSEs.It is worth mentioning that no discounts or incentives, financial or otherwise, are offered to any trustee with a child enrolled in any of our schools. The Trust's marketing and effective fundraising efforts in recent years have sparked increasing community interest, resulting in higher-than-usual enrolment applications and the successful purchasing of the new building.

Trustees, EHT, and the SLT teams from both High schools were very pleased with our excellent 2022 GCSE exam results, where all pupils in the high schools achieved their full potential and aspirational grades. It was noted the GCSE results for the KDGB were amongst the best achieved by the school in recent years, with the best ever Progress 8 score (value added measure). We hope to replicate these outcomes, and the level of improvement accomplished will reflect on all subsequent cohorts.

To that purpose, the Schools implement intervention strategies in every subject, typically, this begins in January, but this year, the school began at the start of the academic year to enhance pupil support.

It is important to remember that some pupils were badly affected by the pandemic. The high school's yearly presentation evenings were held on two separate occasions. The evenings were filled with excitement and celebration. The spring and summer terms were incredibly busy, with several activities, meetings, and visits to the new site in preparation for the relocation in September. Despite an increase in school fees for the coming academic year, only a few parents choose to withdraw their children in September. Furthermore, staff were pleased with the new pay scheme, which will be implemented in September.

The completion of the acquisition of our new building was thrilling news for everyone, including staff, pupils, parents, and the entire community. Welcome evenings took place for all prospective parents whose children would start school in September. The Trust hosted many meetings with current and potential parents of both schools at the new building, where they received an excellent presentation and saw the facility.

Both MMPS and MIGSG have successfully enrolled with the Independent Schools Association (ISA), and will now be inspected by the Independent Schools Inspectorate rather than Ofsted. All MIET schools are now regulated by the same inspectorate. MIGSG's first compliance inspection was conducted in June 2023, and we successfully met all regulations.

Costs were strictly managed, and discretionary funding was focused towards key areas throughout the year to ensure pupils had the greatest possible experience. Overall, the number of pupils remained strong, and the Trustees feel confident in the Schools' capacity to meet the goals specified in its Articles of Association in the future.

Strategic report
Achievement and performance
The trustees are pleased that the academic attainment and achievement of the schools has shown improvement throughout the year. The public examination results for GCSEs continued to reflect the high level of progress, improvement and achievement expected from the students at both schools. Teaching and learning continue to improve. Staff is continuously being trained to improve in this area; regular CPDs and staff insets are organised; extra-curricular activities continue to expand. The organisation of interfaith exchange programmes, fund raising for various Appeals and Charities, such as Penny Appeal, Islamic Relief, Christies Hospital, etc. are again being regularly conducted with a view to impart the importance of such activities in raising awareness of the children and character building. The aim is to foster an appreciation amongst our pupils of the needs of others less fortunate than themselves. This social awareness and sensitivity are fostered by regular fundraising. For all good causes, the Schools raised around £475,433 during the year. The Trustees are also satisfied that the schools are achieving their stated objectives throughout the year in question.

In line with maintaining the buildings and keeping the schools in good and presentable condition, and to fulfil the Health & Safety guidelines, regular repair and maintenance work is carried out. In the Schools computers are regularly upgraded or replaced as and when necessary for the betterment of education. The schools have inter-active boards as an additional resource to be used by staff to inform the students better and facilitate their educational experience in a more robust manner. All this is in line with the Trusts' strategy to improve their educational facilities and to provide an atmosphere where students can feel safe and learn in an environment conducive to learning.

The Trustees' policy, is to award scholarships on the basis of the individual's ability. Whether or not a scholarship is offered, parents also have the opportunity to apply for a means tested bursary to supplement it so that their children can come to the schools. Means-tested bursaries are also available to new entrants to the School to widen public access and they are also available to existing parents encountering unforeseen hardship through no fault of their own, whose children's education is at critical stage.

In line with the policy and vision of the Trust, MIET aims to provide British values to their students which is in no way different from the values expressed by their faith: values of tolerance, peace, coexistence, to be charitable, etc. The pupils are taken to houses of worship of other religions and faiths; pupils of other faiths are invited to visit our schools and pupils from our schools visit schools of other faiths or none.

Each school is fortunate to have staff that is hard working and is fully committed and, in turn, is led by a capable leader and Senior Management/ Leadership Teams. New structure in the form of a promotion of senior leadership member to the position of Headteacher or a leader, under the guidance of the very experienced executive Headteacher. The position of the Executive Headteacher, a scheme which was instituted in 2017, includes oversight of all the three schools; providing guidance when needed, experience and support when and where required. There have been a few staff changes during the year at all the schools; this is in line with such changes taking place at all schools during the academic year. The Boys School and the Preparatory School also have a Deputy Headteacher to help the leadership. The Senior Management/ Leadership Team of each school continue to review the curriculum and extra-curricular activities to ensure its relevance in improving the quality of education. In accordance with its charitable objectives the Schools continued to provide a high quality of education blended with faith-based subjects and curriculum for its pupils. The Schools will continue to be improve and broaden their curriculum using ongoing feedback.

Financial review
Financial position
The schools' principal funding source is from school fees, which amounted to £3,190,331 (2022: 3,135,563). The schools continue, to hire out facilities, including during vacations and after-school hours, and have contributed £78,000 to the income. This facility is provided to the community and the public at discounted prices/rates so as to facilitate ease of availability with a view to benefit the community and public. Overhead percentage has remained fairly consistent throughout the period.

Although the principal source of funding for running the schools is the fee charged from the students however, fundraising is being pursued continuously by the schools and the Trust to augment the funds needed.

Reserves policy
This policy details that the charity presently maintains unrestricted funds or/and sufficient asset value to cover unforeseen and major expenditure and shortfalls in income of at least two months. This reserve is to be considered unrestricted. The trustees remain confident in their ability to raise the necessary funds, thereby adhering to the maintenance of a balanced budget.

The Trust also has the following written policies:

1. Volunteer policy.
2. Conflict of interest policy.
3. Investment policy.

Going concern
The trustees consider that the projected net income and the value of realisable assets will be more than adequate to cover the current liabilities of the charity. Hence the trustees conclude that the accounts comply with the requirements of the Trust's governing body and it remains a going concern.

Strategic report

Financial review

Investment policy

The Board of Trustees is authorised under the Memorandum and Articles of Association to make and hold investments using the general funds of this Charity. However, no such investments are presently held or have been made. Part of one of Trust's properties, The North Wing of Hartley Hall, is rented to Hartley Hall of Residence Ltd and it has not been valued separately. No separate valuation for the part of the property rented to Hartley Hall of Residence has been done as the trustees feel it would not serve any purpose as the property in its entirety has been valued for rebuild purpose. For the purpose of obtaining a fair rent, an outside rental valuation agency was employed to determine this. Rent based on this valuation is being received from Hartley Hall of Residence.

Risk management

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks. In addition to the risk assessments carried for the purpose of insurance, the schools also carry out numerous other risk assessments as required by the various regulations governing schools.

Additionally, in accordance with normal commercial practice the Trust has purchased insurance, which also includes protection for the Trustees and staff from claims arising from negligent acts, error or omissions occurring whilst on School business.

Remuneration policy

The charity follows a policy on remuneration very much dependant on demand and supply of requirement of personnel with a particular skill set or specialism at the given time. It nevertheless considers the overall budgetary and financial position of the charity at that particular time. The risk of losing personnel to other organisations willing to pay more lucrative remuneration always exists however, the charity offsets this by employing younger personnel. It institutes a very rigorous and robust training and professional development programme to add and provide rigour to teaching and learning and other areas associated with improving the provision of education. Another attraction offered, especially to the higher management level staff, is to provide a very pleasant and friendly workplace environment where they are made to feel important and valued.

Strategic Report, financial review, plans for future periods

The key plans related to the charitable aspects of the schools remain as follows:

1. Improvement in teaching & learning;
2. Prepare for future school inspections;
3. To maintain the schools continuous work in giving our pupils every opportunity to be the best they can be, both in and outside the classroom;
4. High expectations and learning strategies tailored to the individual pupil, lead to high levels of attainment;
5. Pupils are encouraged to take on challenges, to overcome setbacks and to see failure as part of the journey to success, to develop the resilience, initiative, flexibility, creativity and collaborative skills that will prepare them for the next stage of their education and later life;
6. Our future plans are financed primarily from fee income and other resources. The Trustees view our bursary and scholarship awards as important in widening access to the education our schools provide and is committed to maintaining these budgets in the future;

Strategic report
Financial review
7. Greater emphasis was given to continuous development & training of staff members so that improved teaching and learning and greater numbers could be classified as "Outstanding" and "Good" in their field of work;
8. Continued forensic review of budgets and financial spending;
9. Improvement of the marketing plans for recruiting extra students in all schools;

A. Manchester Islamic Grammar School for Girls and Manchester Muslim Preparatory School will relocate to a larger site that can accommodate both schools and allow for future expansion.
B. Having both schools on one site may allow the reduction in management staff and will permit use of other non-teaching and teaching staff much more efficiently because of having both schools in one place. This will of course release more income to raise educational achievement and long-term sustainability.
C. One important consideration which should not be ignored is the impression and the feeling of pride that the establishment of these Islamic schools on this site and in this building will have on our community, and the message it will carry to all communities in the area.

Structure, governance and management
Governing document
The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Statement of trustees' responsibilities
The trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

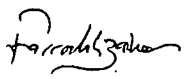
Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the trustees are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

In so far as the trustees are aware:
- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors
The auditors, Xeinadin Audit Ltd (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on .....28/05/2024..... and signed on the board's behalf by:



.....
Mr F Zaheer - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

Opinion

We have audited the financial statements of Manchester Islamic Educational Trust Ltd (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:
- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charities sector;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in notes to accounts were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- in response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Xeinadin Audit Ltd.

Farook Patel (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Ltd (Statutory Auditor)
100 Barbirolli Square
Manchester
M2 3BD

Date: 29/5/2024

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
Income and endowments from					
Donations and legacies	2	475,433	-	475,433	130,583
Charitable activities	4				
Charitable activities		3,316,540	-	3,316,540	3,180,880
Investment income	3	78,000	-	78,000	84,000
Other income		7,583,997	-	7,583,997	-
Total		11,453,970	-	11,453,970	3,395,463
Expenditure on					
Charitable activities	5				
Charitable activities		4,410,424	-	4,410,424	3,232,341
NET INCOME		7,043,546	-	7,043,546	163,122
Reconciliation of funds					
Total funds brought forward		3,398,680	-	3,398,680	3,235,558
Total funds carried forward		10,442,226	-	10,442,226	3,398,680

The notes form part of these financial statements

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD (REGISTERED NUMBER: 03544402)

STATEMENT OF FINANCIAL POSITION
31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted fund £	2023 Total funds £	2022 Total funds £
Fixed assets					
Tangible assets	10	14,856,565	-	14,856,565	3,137,350
Current assets					
Debtors	11	910,699	-	910,699	535,445
Cash at bank and in hand		126,351	-	126,351	288,491
		1,037,050	-	1,037,050	823,936
Creditors					
Amounts falling due within one year	12	(738,656)	-	(738,656)	(562,606)
Net current assets		298,394	-	298,394	261,330
Total assets less current liabilities		15,154,959	-	15,154,959	3,398,680
Creditors					
Amounts falling due after more than one year	13	(4,712,733)	-	(4,712,733)	-
NET ASSETS		10,442,226	-	10,442,226	3,398,680
Funds	15				
Unrestricted funds				10,442,226	3,398,680
Total funds				10,442,226	3,398,680

The financial statements were approved by the Board of Trustees and authorised for issue on .....28/05/2024..... and were signed on its behalf by:

.....
Mr F Zaheer - Trustee

The notes form part of these financial statements

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	2,349,342	(235,685)
Net cash provided by/(used in) operating activities		2,349,342	(235,685)
Cash flows from investing activities			
Purchase of tangible fixed assets		(13,585,740)	(62,758)
Sale of tangible fixed assets		9,104,258	-
Net cash used in investing activities		(4,481,482)	(62,758)
Cash flows from financing activities			
New loans in year		3,491,500	-
Loan repayments in year		(1,521,500)	-
Net cash provided by financing activities		1,970,000	-
Change in cash and cash equivalents in the reporting period		(162,140)	(298,443)
Cash and cash equivalents at the beginning of the reporting period		288,491	586,934
Cash and cash equivalents at the end of the reporting period		126,351	288,491

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2023

1. Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	7,043,546	163,122
Adjustments for:		
Depreciation charges	346,264	109,639
Profit on disposal of fixed assets	(7,583,997)	-
Refundable deposits reclassification	297,200	-
Increase in debtors	(375,254)	(466,759)
Increase/(decrease) in creditors	2,621,583	(41,687)
Net cash provided by/(used in) operations	2,349,342	(235,685)

2. Analysis of changes in net funds/(debt)

	At 1.9.22 £	Cash flow £	At 31.8.23 £
Net cash			
Cash at bank and in hand	288,491	(162,140)	126,351
	288,491	(162,140)	126,351
Debt			
Debts falling due within 1 year	-	(470,000)	(470,000)
Debts falling due after 1 year	-	(1,500,000)	(1,500,000)
	-	(1,970,000)	(1,970,000)
Total	288,491	(2,132,140)	(1,843,649)

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Critical accounting judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

Income from school fees represents fees earned in respect of the provision of education to pupils during the year. Fees for education to be provided in future years are carried forward as deferred income in the balance sheet.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income from investments is included in the year in which it is receivable.

Resources expended
Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

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

Freehold property	- 2% per annum straight line basis
Short leasehold	- Straight line over 10 years

continued...

1. **Accounting policies - continued**

Tangible fixed assets

Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on reducing balance

Taxation
The charity is exempt from corporation tax on its charitable activities.

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

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

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

Company limited by guarantee
Manchester Islamic Educational Trust Limited is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash and bank in hand, trade debtors and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

Cost plus finance

The charity has entered a commodity murabaha purchase and sale agreement with a financial institution for debt finance purposes. Under the terms of the agreement, the charity purchases non-precious metal commodities from the financial institution on a deferred payment basis and sells these through this financial institution to a third party. The payable related to the purchased commodity under an agreement is recognised at the value of consideration paid and is presented as commodity murabaha purchase liability in the statement of financial position. The difference between the sale and purchase price is recognised as a financing cost and accrued on an amortised cost basis over the period of agreement.

continued...

2. Donations and legacies

	2023	2022
	£	£
Donations received	475,433	130,583

3. Investment income

	2023	2022
	£	£
Rents received	78,000	84,000

4. Income from charitable activities

	Activity	2023	2022
		£	£
School fees	Charitable activities	3,190,331	3,135,563
Books, sundry fees and miscellaneous income	Charitable activities	126,209	45,317
		3,316,540	3,180,880

5. Charitable activities costs

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Charitable activities	2,994,422	1,416,002	4,410,424

6. Support costs

	Management	Finance	Information technology	Governance costs	Totals
	£	£	£	£	£
Charitable activities	1,067,767	266,962	12,776	68,497	1,416,002

7. Net income/(expenditure)

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

	2023	2022
	£	£
Auditors' remuneration	6,000	4,920
Depreciation - owned assets	346,264	109,639
Hire of plant and machinery	8,271	8,725
Other operating leases	163,773	-
Surplus on disposal of fixed assets	(7,583,997)	-

continued...

8. Trustees' remuneration and benefits

During the year, the charity paid remuneration £6,784 (2022: £22,800) to Mr K Z Hafeez and £60,500 (2022: £2,500) to Mr A U Sheikh in addition to their trusteeship.

Trustees' expenses

There were no trustee expenses paid for the year ended 31 August 2023 (2022: £nil).

9. Staff costs

	2023	2022
	£	£
Wages and salaries	2,362,912	2,172,751
Social security costs	188,622	166,223
Other pension costs	44,886	40,468
	2,596,420	2,379,442

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

	2023	2022
Teaching staff	72	73
Support staff	48	49
	120	122

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£70,001 - £80,000	1	1

The key management personnel of the charity comprise the Trustees, the head teachers and the trust administrators. The total employee benefits of the key management personnel of the charity were 252,189 (2022: £152,800).

continued...

10. Tangible fixed assets

	Freehold property £	Short leasehold £	Plant and machinery £
Cost			
At 1 September 2022	3,880,638	177,909	74,770
Additions	13,534,014	-	-
Disposals	(1,991,012)	-	-
At 31 August 2023	15,423,640	177,909	74,770
Depreciation			
At 1 September 2022	924,261	177,909	16,927
Depreciation	308,473	-	8,676
Eliminated on disposal	(470,751)	-	-
At 31 August 2023	761,983	177,909	25,603
Net book value			
At 31 August 2023	14,661,657	-	49,167
At 31 August 2022	2,956,377	-	57,843

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Cost				
At 1 September 2022	752,110	15,271	-	4,900,698
Additions	36,000	-	15,726	13,585,740
Disposals	-	-	-	(1,991,012)
At 31 August 2023	788,110	15,271	15,726	16,495,426
Depreciation				
At 1 September 2022	629,548	14,703	-	1,763,348
Depreciation	23,784	142	5,189	346,264
Eliminated on disposal	-	-	-	(470,751)
At 31 August 2023	653,332	14,845	5,189	1,638,861
Net book value				
At 31 August 2023	134,778	426	10,537	14,856,565
At 31 August 2022	122,562	568	-	3,137,350

Manchester Islamic Educational Trust owns two freehold properties and these are situated as follows:

- Hartley Hall, Alexandra Road South, Manchester
- Fielden Campus, Barlow Moor Road, West Didsbury

continued...

10. Tangible fixed assets - continued

In the opinion of the Trustees, the cost of professionally valuing these assets to include a value in the accounts outweighs the benefits to the users of the accounts. They are insured for £28m which is an estimate of their reinstatement value.

A fixed and floating charge over the undertaking and all property and assets present and future was created on 23 September 2022 and 12 October 2022 by Nester Platform Ltd and Miriam Investments Holdings Limited respectively. These charges are still outstanding.

11. Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	38,188	22,702
Other debtors	442,472	508,701
Prepayments and accrued income	14,506	4,042
	495,166	535,445
Amounts falling due after more than one year:		
Other debtors	415,533	-
Aggregate amounts	910,699	535,445

12. Creditors: amounts falling due within one year

	2023	2022
	£	£
Interest free loans (see note 14)	470,000	-
Trade creditors	80,507	51,219
Social security and other taxes	61,842	25,414
Pension control account	8,858	7,794
Other creditors	78,904	153,254
Refundable deposits	17,500	295,200
Accruals and deferred income	21,045	29,725
	738,656	562,606

continued...

13. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Interest free loans (see note 14)	1,500,000	-
Refundable deposits	297,200	-
Murabaha payable	2,915,533	-
	4,712,733	-

The charity has entered a commodity murabaha purchase and sale agreement with a financial institution. Under the terms of the agreement, the charity has purchased a non-precious metal commodities from the financial institution on a deferred payment basis and has simultaneously sold these through financial institution to third parties. The outstanding balance as of 31 August 2023 of £2,915,533 represents the purchase price under this agreement. During the year, the financing cost incurred on the commodity murabaha purchase agreement was £184,467.

14. Loans

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Interest free loans	470,000	-
Amounts falling between one and two years:		
Interest free loans	1,500,000	-

15. Movement in funds

	At 1.9.22	Net movement in funds	At 31.8.23
	£	£	£
Unrestricted funds			
Unrestricted donations	3,398,680	7,043,546	10,442,226
TOTAL FUNDS	3,398,680	7,043,546	10,442,226

continued...

15. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted donations	11,453,970	(4,410,424)	7,043,546
TOTAL FUNDS	11,453,970	(4,410,424)	7,043,546

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
Unrestricted donations	3,235,558	163,122	3,398,680
TOTAL FUNDS	3,235,558	163,122	3,398,680

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted donations	3,395,463	(3,232,341)	163,122
TOTAL FUNDS	3,395,463	(3,232,341)	163,122

continued...

16. Employee benefit obligations

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £44,886 (2022: £40,468).

17. Related party disclosures

During the year, one of the trustee Mr F Zaheer has advanced £25,000 (2022: £30,000) to the charity as a loan. The loan is interest free and repayable on demand.

During the year, one of the trustee Mr S B Salam has advanced £100,000 (2022: £nil) to the charity as a loan. The loan is interest free and repayable on demand.

During the year, a charity Makki Masjid in which Mr F Zaheer is a trustee has advanced £100,000 (2022: £nil) to the charity as a loan. The loan is interest free and repayable on demand.

During the year, a charity British Muslim Heritage Centre in which Mr F Zaheer and Mr N Mahmood are trustees has advanced £125,000 (2022: £nil) to the charity as a loan. The loan is interest free and repayable on demand.

During the year, the charity received the following donations from related parties.

	2023 Amount (£)	2022 Amount (£)
Hartley Hall of Residence Ltd	105,000	75,000
Trustee Mr S B Salam	25,000	-
Trustee Mr F Zaheer	5,000	-
Brighter Future Initiative	14,000	-
Makki Masjid	1,368	-
British Muslim Heritage Centre	2,835	28,066

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

England & Wales - Charity number 1073862

Accounts

REGISTERED COMPANY NUMBER: 03544402
REGISTERED CHARITY NUMBER: 1073862

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

REPORT OF THE TRUSTEES AND

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

Xeinadin Audit Ltd (Statutory Auditor)
36 Old Jewry
London
EC2R 8DD

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD

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FOR THE YEAR ENDED 31 AUGUST 2022

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MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2022

Trustees	Dr A Al Majid Dr H Al Majid Dr A M Al Saif (resigned 31.10.22) Mr M S Al-Astewani Dr H S A Al-Khaffaf Mr I A B Al-Salam Mr K Z Hafeez (resigned 23.1.23) Mrs F Javid Mr A A O Kawooya Mr N Mahmood Mr S B Salam Mr A U Sheikh Mr F Zaheer Mr S A Chaudhri (appointed 16.11.22)
Registered office	Hartley Hall Alexandra Road South Manchester M16 8NH
Registered company number	03544402
Registered charity number	1073862
Auditors	Xeinadin Audit Ltd (Statutory Auditor) 36 Old Jewry London EC2R 8DD

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019). The trustees who served during the year and up to the date of this report are set out on page 1.

Manchester Islamic Educational Trust (MIET) Ltd was incorporated on 9 April 1998 as a company limited by guarantee, under company number 3544402 and has been granted charitable status under Charities Act 1960, on 8 February 1999 under registration number 1073862. MIET runs KD Grammar School for Boys, Manchester Islamic Grammar School for Girls (formerly known as Manchester Islamic High School for Girls) - name change has been approved by Department for Education, and Manchester Muslim Preparatory School. These schools operate from three different sites. Land and buildings on these sites are fully owned by MIET. The Trust, which is a limited company, is governed by the policies made from time to time by the trustees together with the terms of its Memorandum and Articles of Association which set out the objects and powers of the company. The trustees are also Directors of the Charity for the purposes of the Companies Act 2006. The power of appointing new trustees is vested in the trustees. The procedure to appoint or withdraw a trustee is adopted in accordance with the Trust Deed.

New appointment(s) must serve a minimum probationary period of six months, or longer as the case may be are based on personal competence, independence of character, judgement and specialist skills and there are no relationships or circumstances which are likely to affect, or could appear to affect, the Boards' judgement. Subject to a satisfactory outcome of the probationary period, a permanent trusteeship may be offered. The Board may also, by a unanimous agreement as specified in its Memorandum and Articles of Association, appoint an employee as a Trustee provided no special financial gain may accrue to this Trustee.

An appropriate level of instruction is provided for both new and existing Trustees to update their knowledge and place them in a position where they could sensibly identify their role and responsibilities. From time to time, Trustees go on formal relevant training courses that our Schools and that individual Trustees identify are required for them to be able to discharge his/her duty.

Moreover, the Trustees are also encouraged to attend relevant external briefings and training courses. They are particularly encouraged to attend various schools' functions and to meet with members of the Senior Leadership Team and staff, in order to be able to understand further the nature of the Schools' business. Moreover, the Trustees meet regularly to manage the affairs of the schools and to discuss other affairs. The Board comprises members from a variety of backgrounds and there are sub-committees dealing with various aspects of the operation. All major decisions are ratified by the Board of Trustees. In addition, the trustees are also responsible for setting out the strategy of the Trust and monitoring its progress towards the stated aims and objectives. No additional trustee was appointed and no trustee resigned during this year.

Staff & management are required to progress the aims and objectives of the schools under the Trust's control. Furthermore, students and staff are continuously encouraged to contribute to the local and wider community by establishing and developing links at various levels. The day-to-day management of each school is delegated to the respective Head teacher supported by their Senior Management/Leadership Team. The Head of each School undertakes the key leadership role, overseeing the educational, pastoral and administrative functions in consultation with the senior staff. The day-to-day administration of each School is undertaken in line with the policies and procedures approved by the Trust. Significant expenditure decisions and major capital projects are referred to the Trust for prior approval by the school management. In addition, there are sub-committees covering staffing, curriculum, safeguarding, health & safety, finance and buildings which meet more regularly and are attended by the respective school leaders. This team in turn delegates the responsibility to the teaching and non-teaching staff to ensure smooth implementation.

The Trust is managed by the Board of Trustees. This Board, annually, appoints a Chairperson, Vice Chair Person, and Treasurer. The Board also appoints various coordinators, links and personnel responsible for policies which are of great importance to the schools, i.e. Safeguarding of children; Health & Safety, Finance, Ethos and Vision of the schools and the Trust, etc. Trustees, have also been employing a Trust Administrative Manager to provide a more in-depth oversight over the school's operation and performance, reporting to the Chairperson and the Vice Chair as well as the Treasurer. Each school has a dedicated professional leadership team, most of them have either been already trained in a Senior Leadership role or are being encouraged to undertake this training from the appropriate and accredited training colleges/institutions. The cost of this training is borne by the Trust. The school leadership is also encouraged to develop middle leadership skills from amongst its staff and departments within each school.

The objective of the Trust is the advancement in the United Kingdom of education in general, in conjunction with, and complimented by Islamic education. Secondly, it is the objective of the Trust to provide and maintain schools within the United Kingdom for providing facilities to enable young persons in the doctrines and practices of the Islamic faith and in the Arabic language. In this respect the Trust follows the latest regulations in that it promotes actively the Prevent Strategy of the government and the promotion of democracy and British values. The Trust may in the future try and establish additional Islamic schools to meet demand, but this is subject to availability of adequate funds.

Objectives and activities
Objectives and aims
Investment policy
The Board of Trustees is authorised under the Memorandum and Articles of Association to make and hold investments using the general funds of this Charity. However, no such investments are presently held or have been made. Part of one of Trust's properties, The North Wing of Hartley Hall, is rented to Hartley Hall of Residence Ltd and it has not been valued separately. No separate valuation for the part of the property rented to Hartley Hall of Residence has been done as the trustees feel it would not serve any purpose as the property in its entirety has been valued for rebuild purpose. For the purpose of obtaining a fair rent, an outside rental valuation agency was employed to determine this. Rent based on this valuation is being received from Hartley Hall of Residence.

Risk management
The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks. In addition to the risk assessments carried for the purpose of insurance, the schools also carry out numerous other risk assessments as required by the various regulations governing schools.

Additionally, in accordance with normal commercial practice the Trust has purchased insurance, which also includes protection for the Trustees and staff from claims arising from negligent acts, error or omissions occurring whilst on School business.

Intended impact and strategies
Within these objects, MIET aims to provide services which will be beneficial to the community it has been set up to serve. The aim of the charity is to benefit the public in the widest possible manner with a view to educate children in a faith-based ethos and environment. MIET is firmly of the belief that such an ethos and environment best serve the public interest and is beneficial for the children who are recipients of the service provided. Education steeped in a faith ethos will prove a firm foundation on which higher education can build a much better citizen who can benefit the nation much more. It is for these reasons that MIET first established faith-based schools: Islamic High School for Girls was established in 1992 (currently known as Manchester Islamic Grammar School for Girls), followed shortly thereafter by Manchester Muslim Preparatory School. KD Grammar School for Boys was established in 1999.

The schools implement the aims and objectives of the Trust and further the interest of public benefit by endeavouring to provide an outstanding independent education, through strong academic tuition, awareness of spiritual values and developing artistic, spiritual moral, cultural and social skills in all students. This is intended to provide an environment where each pupil can begin to realise his or her own potential, thus helping to build self-confidence and self-esteem in preparation for a contented and fulfilling life contributing to the welfare of the wider community. This is achieved by offering education appropriate to the needs of boys and girls aged from 3 to 16.

Progression is given as much emphasis as attainment - they are interlinked. The schools have consistently shown to achieve a much higher value-added component to its educational mix and regime than the national average. Quality of pupils wishing to enrol in our schools is varied, and as diagnostic tools are becoming more sophisticated, it is becoming increasingly evident that some children require specialist SEND support. The schools are equipping themselves to be able to provide this in as many cases as possible. It has been agreed by the Trust to constantly upskill its SEND coordinators so that they are able to provide a continually improved provision and service in this area. These persons then can, in turn, provide the requisite skills to other teaching staff on application of diagnosing and proper application of teaching methodology in this area for these pupils.

The Trustees aim to create a supportive and caring environment where each pupil is recognised and is educated as an individual. MIET seeks to produce academically and spiritually well-educated young men and women, with highly developed interpersonal skills with a broad range of interests. Hence pupils can compete at any level with the brightest and the best.

The Trust recognised that many parents' lives are affected during the pandemic and that this resulted in a huge strain on the personal finances of some families. Nonetheless, the Trust has over the years continued to extend additional financial help and assistance, in various forms, to the less fortunate who have found it difficult to pay the full fees, as well as discounts to siblings. This has amounted to approximately £170,000 (2021: £150,000). By offering discount on fees, and occasionally helped by donations received from other sources, MIET has been able to help those who require financial assistance. It has also instituted a Scholarship Scheme whereby it has permitted each of the schools to allow for up to 5 scholarships based entirely and solely on academic achievement of prospective applicants. The trustees continue to explore the area of higher education where some of the students after completing their GCSEs can also avail the opportunity of doing their A level at our schools. It is hoped that with the improvement of economic climate and outlook in the country additional funds will become available to implement this plan.

It is also worth mentioning here that no discount on fees, or any other incentive, financial or otherwise, is offered or given to any trustee who has a child or children enrolled in any of our schools.

With the marketing effort that was started by the Trust a few years ago beneficial result is being seen in the form of increased interest in the schools by the community, leading to higher than usual applicants wishing to enrol.

The previous two reporting periods were marked by significant COVID pandemic disruption. While this risk has receded somewhat, continued vigilance and effective management remain in place to ensure and assure safety at our schools. However, fresh challenges have subsequently emerged. Notably, some travel disruption and a shift in the global economy.

The year ended 31 August 2022 was the first year, after the end of the pandemic, which was not impacted by the Coronavirus. During the autumn term, schools ensured that the necessary health and safety measures continued to be adhered to. Our schools were proud they had a smooth and a very well prepared start of the academic year where staff and pupils settled in very quickly and the school returned back to its normal routine sooner than we expected.

Both pupils and staff were happy to be released from the constraints of the COVID bubbles upon their return in September. This has given us more flexibility in mixing between year groups and staff have once again taken ownership of their classrooms, leading to improved display around the school. Staff in our high schools have been grateful not to have to carry resources around with them, and this has allowed greater creativity in delivery of lessons. Furthermore, face-to-face meetings took place fully during the summer term.

Parents seemed very pleased and relieved that their children returned to full time education after such a long time of uncertain and anxiety. However, it became clear at the end of last academic year, just how much of a detrimental effect the pandemic had on all aspects of students' education. Swift actions were taken with the introduction of after school booster classes in English and Math which were run by subject teachers who were able to deliver sessions tailored to their students' need. Parents were appreciative that school offered these sessions at no cost to them.

Additionally, the class of 2021 Graduation Evening of the Girls & Boys schools held at different venues and enjoyed by all. Finally, after two years with no GCSE examination, the Year 11 pupils in our high schools have successfully, like all private and mainstream schools, sat their examinations.

Extra-curricular Activities have returned to normal post-COVID levels. Our schools were delighted to have been able to offer a full range of clubs, New Parents Coffee Morning, day visits and residential visits, PTA food fairs, Sports Day, Quran Competition which have enhanced the opportunities and enjoyment for our pupils.

Costs continued to be tightly controlled and discretionary expenditure was targeted at priority areas during the year to ensure pupils enjoyed the best experience possible after having returned from the restricted periods of the Pandemic.

More broadly, pupil numbers remain strong and the Trustees are extremely confident in the Schools' continuing ability to deliver the objects set out in its Articles of Association for the future.

Strategic report

Achievement and performance

The trustees are pleased that the academic attainment and achievement of the schools has shown improvement throughout the year. The public examination results for GCSEs continued to reflect the high level of progress, improvement and achievement expected from the students at both schools. Teaching and learning continue to improve. Staff is continuously being trained to improve in this area; regular CPDs and staff insets are organised; extra-curricular activities continue to expand. The organisation of interfaith exchange programmes, fund raising for various Appeals and Charities, such as Penny Appeal, Islamic relief, Christies Hospital, etc. are again being regularly conducted with a view to impart the importance of such activities in raising awareness of the children and character building. The aim is to foster an appreciation amongst our pupils of the needs of others less fortunate than themselves. This social awareness and sensitivity is fostered by regular fundraising. For all good causes, the Schools raised around £130,584 during the year. The Trustees are also satisfied that the schools are achieving their stated objectives throughout the year in question.

In line with maintaining the buildings and keeping the schools in good and presentable condition, and to fulfil the Health & Safety guidelines, regular repair and maintenance work is carried out. In the Schools computers are regularly upgraded or replaced as and when necessary for the betterment of education. The schools have inter-active boards as an additional resource to be used by staff to inform the students better and facilitate their educational experience in a more robust manner. All this is in line with the Trusts' strategy to improve their educational facilities and to provide an atmosphere where students can feel safe and learn in an environment conducive to learning.

The Trust has this year, as in last few years, been unable to raise funds for capital projects either locally or from abroad. This has remained difficult. However, attempts are continually being made to raise funds to implement smaller improvement and refurbishment work. Efforts are also made to raise funds to provide financial help to deserving children and their parents.

The Trustees' policy, is to award scholarships on the basis of the individual's ability. Whether or not a scholarship is offered, parents also have the opportunity to apply for a means tested bursary to supplement it so that their children can come to the schools. Means-tested bursaries are also available to new entrants to the School to widen public access and they are also available to existing parents encountering unforeseen hardship through no fault of their own, whose children's education is at critical stage.

In line with the policy and vision of the Trust, MIET aims to provide British values to their students which is in no way different from the values expressed by their faith: values of tolerance, peace, coexistence, to be charitable, etc. The pupils are taken to houses of worship of other religions and faiths; pupils of other faiths are invited to visit our schools and pupils from our schools visit schools of other faiths or none.

Each school is fortunate to have staff that is hard working and is fully committed and, in turn, is led by a capable leader and Senior Management/ Leadership Teams. New structure in the form of a promotion of senior leadership member to the position of Headteacher or a leader, under the guidance of the very experienced executive Headteacher. The position of the Executive Headteacher, a scheme which was instituted in 2017, includes oversight of all the three schools; providing guidance when needed, experience and support when and where required. There have been a few staff changes during the year at all the schools; this is in line with such changes taking place at all schools during the academic year. The Boys School and the Preparatory School also have a Deputy Headteacher to help the leadership. The Senior Management/ Leadership Team of each school continue to review the curriculum and extra-curricular activities to ensure its relevance in improving the quality of education. In accordance with its charitable objectives the Schools continued to provide a high quality of education blended with faith based subjects and curriculum for its pupils. The Schools will continue to be improve and broaden their curriculum using ongoing feedback.

Financial review
Financial position
The schools' principal funding source is from school fees, which amounted to £3,135,563 (2021: 2,681,129). The schools continue, with the ease of COVID restrictions, to hire out facilities, including during vacations and after-school hours, and have contributed £84,000 to the income. This facility is provided to the community and the public at discounted prices/rates so as to facilitate ease of availability with a view to benefit the community and public. Overhead percentage has remained fairly consistent throughout the period.

Although the principal source of funding for running the schools is the fee charged from the students however, fundraising is being pursued continuously by the schools and the Trust to augment the funds needed.

Reserves policy
This policy details that the charity presently maintains unrestricted funds or/and sufficient asset value to cover unforeseen and major expenditure and shortfalls in income of at least two months. This reserve is to be considered unrestricted. The trustees remain confident in their ability to raise the necessary funds, thereby adhering to the maintenance of a balanced budget.

The Trust also has the following written policies:
1. Volunteer policy.
2. Conflict of interest policy.
3. Investment policy.

Going concern
The trustees consider that the projected net income and the value of realisable assets will be more than adequate to cover the current liabilities of the charity. Hence the trustees conclude that the accounts comply with the requirements of the Trust's governing body and it remains a going concern.

Strategic report

Financial review

Remuneration policy

The charity follows a policy on remuneration very much dependant on demand and supply of requirement of personnel with a particular skill set or specialism at the given time. It nevertheless considers the overall budgetary and financial position of the charity at that particular time. The risk of losing personnel to other organisations willing to pay more lucrative remuneration always exists however, the charity offsets this by employing younger personnel. It institutes a very rigorous and robust training and professional development programme to add and provide rigour to teaching and learning and other areas associated with improving the provision of education. Another attraction offered, especially to the higher management level staff, is to provide a very pleasant and friendly workplace environment where they are made to feel important and valued.

Strategic Report, financial review, plans for future periods

The key plans related to the charitable aspects of the schools remain as follows:

1. Improvement in teaching & learning;
2. To continue focusing on continued professional development for teachers and the management;
3. Prepare for future school inspections;
4. Ensure an environment that remains as COVID-19 safe as practicable and follows Government guidelines;
5. To maintain the schools continuous work in giving our pupils every opportunity to be the best they can be, both in and outside the classroom;
6. High expectations and learning strategies tailored to the individual pupil, lead to high levels of attainment;
7. Pupils are encouraged to take on challenges, to overcome setbacks and to see failure as part of the journey to success, to develop the resilience, initiative, flexibility, creativity and collaborative skills that will prepare them for the next stage of their education and later life;
8. To excite, engage and challenge each child, motivating them to explore and develop a lifelong love of learning, supported by teachers who are passionate about their subject and are themselves lifelong learners;
9. Our future plans are financed primarily from fee income and existing resources. The Trustees view our bursary and scholarship awards as important in widening access to the education our schools provides and is committed to maintaining these budgets in the future;
10. Greater emphasis was given to continuous development & training of staff members so that improved teaching and learning and greater numbers could be classified as "Outstanding" and "Good" in their field of work;
11. Continued forensic review of budgets and financial spending
12. Improvement of the marketing plans for recruiting extra students in all schools;

Searching for a new building:

When the two schools, namely the Preparatory and the Girls' secondary school were established, the premises were considered sufficient in terms of their structure, outlook, and size. They were also segregated from each other since they are geographically located in two different parts of the city.

The Trust has for some time recognised that to be able to continue providing the service, that it has been providing for almost thirty years, to a much increased and larger community, and to fulfil the vision, aims & objectives for which this Trust had been set-up, a larger and a more suitable premises had to be found. The Trust had not been successful in locating such a premises until recently when it found a perfectly located premises, namely Fielden Park Campus. It is located in the schools' preferred catchment area and it is up for sale.

As already mentioned above the current school sites are not fit for purpose: because they are old buildings and not large enough to accommodate the increase in school admissions due to the excellent reputation of the schools and the increase in the number of Muslim communities over the years. The acquisition of Fielden College premises and site allows the advantages including:

Strategic report
Financial review

A. The two schools, Manchester Islamic Grammar School for Girls and Manchester Muslim Preparatory School can be located on one site which is not only large enough to accommodate both the schools but will additionally allow the expansion of these two schools.

B. Having both schools on one site may allow the reduction in management staff and will permit use of other non-teaching and teaching staff much more efficiently because of having both schools in one place. This will of course release more income to raise educational achievement and long-term sustainability.

C. One important consideration which should not be ignored is the impression and the feeling of pride that the establishment of these ISLAMIC schools on this site and in this building will have on our community, and the message it will carry to all communities in the area

Structure, governance and management
Governing document
The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Statement of trustees' responsibilities
The trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the trustees are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

In so far as the trustees are aware:
- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors
The auditors, Xeinadin Audit Ltd (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on .....17/5/2023..... and signed on the board's behalf by:

.....
Mr F Zaheer - Trustee

Opinion
We have audited the financial statements of Manchester Islamic Educational Trust Ltd (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

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

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charities sector;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- assessed whether judgements and assumptions made in determining the accounting estimates set out in notes to accounts were indicative of potential bias; and

- investigated the rationale behind significant or unusual transactions.

- in response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

- reading the minutes of meetings of those charged with governance;

- enquiring of management as to actual and potential litigation and claims; and

- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Xeinadin Audit Ltd

Farook Patel (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Ltd (Statutory Auditor)
36 Old Jewry
London
EC2R 8DD

Date: 19/5/2023

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
Income and endowments from					
Donations and legacies	3	133,645	-	133,645	210,344
Charitable activities	4				
Charitable activities		3,261,818	-	3,261,818	2,761,587
Total		3,395,463	-	3,395,463	2,971,931
Expenditure on					
Charitable activities	5				
Charitable activities		3,232,341	-	3,232,341	3,018,673
NET INCOME/(EXPENDITURE)		163,122	-	163,122	(46,742)
Reconciliation of funds					
Total funds brought forward		3,235,558	-	3,235,558	3,282,300
Total funds carried forward		3,398,680	-	3,398,680	3,235,558

The notes form part of these financial statements

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD (REGISTERED NUMBER: 03544402)

STATEMENT OF FINANCIAL POSITION
31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted fund £	2022 Total funds £	2021 Total funds £
Fixed assets					
Tangible assets	11	3,137,350	-	3,137,350	3,184,231
Current assets					
Debtors	12	535,445	-	535,445	68,686
Cash at bank and in hand		288,491	-	288,491	586,934
		823,936	-	823,936	655,620
Creditors					
Amounts falling due within one year	13	(562,606)	-	(562,606)	(604,293)
Net current assets		261,330	-	261,330	51,327
Total assets less current liabilities		3,398,680	-	3,398,680	3,235,558
NET ASSETS		3,398,680	-	3,398,680	3,235,558
Funds	14				
Unrestricted funds				3,398,680	3,235,558
Total funds				3,398,680	3,235,558

The financial statements were approved by the Board of Trustees and authorised for issue on 17/5/2023 and were signed on its behalf by:

Mr F Zaheer - Trustee

The notes form part of these financial statements

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	(235,685)	103,777
Net cash (used in)/provided by operating activities		(235,685)	103,777
Cash flows from investing activities			
Purchase of tangible fixed assets		(62,758)	(45,740)
Sale of fixed asset investments		-	100
Net cash used in investing activities		(62,758)	(45,640)
Change in cash and cash equivalents in the reporting period		(298,443)	58,137
Cash and cash equivalents at the beginning of the reporting period		586,934	528,797
Cash and cash equivalents at the end of the reporting period		288,491	586,934

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2022

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

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	163,122	(46,742)
Adjustments for:		
Depreciation charges	109,639	108,508
Increase in debtors	(466,759)	(17,281)
(Decrease)/increase in creditors	(41,687)	59,292
Net cash (used in)/provided by operations	(235,685)	103,777

2. Analysis of changes in net funds

	At 1.9.21 £	Cash flow £	At 31.8.22 £
Net cash			
Cash at bank and in hand	586,934	(298,443)	288,491
	586,934	(298,443)	288,491
Total	586,934	(298,443)	288,491

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

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

Income from school fees represents fees earned in respect of the provision of education to pupils during the year. Fees for education to be provided in future years are carried forward as deferred income in the balance sheet.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income from investments is included in the year in which it is receivable.

Resources expended
Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

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

Freehold property	- 2% per annum straight line basis
Short leasehold	- Straight line over 10 years
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Taxation
The charity is exempt from corporation tax on its charitable activities.

continued...

1. Accounting policies - continued

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

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

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

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash and bank in hand, trade debtors and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Donations and legacies

	2022	2021
	£	£
Donations received	130,584	30,430
Grants	-	137,883
Other income	3,061	42,031
	133,645	210,344

continued...

4. Income from charitable activities

	Activity	2022	2021
		£	£
School fees	Charitable activities	3,135,563	2,681,129
Rent received and hire of facilities	Charitable activities	84,000	69,648
Books, sundry fees and miscellaneous income	Charitable activities	42,255	10,810
		3,261,818	2,761,587

5. Charitable activities costs

	Direct Costs	Support costs (see note 6)	Totals
	£	£	£
Charitable activities	2,505,907	726,434	3,232,341

6. Support costs

	Management	Finance	Informatio technology
	£	£	£
Charitable activities	574,455	9,307	74,090

	Other	Governance costs	Totals
	£	£	£
Charitable activities	2,182	66,400	726,434

7. Net income/(expenditure)

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

	2022	2021
	£	£
Auditors' remuneration	4,920	4,680
Depreciation - owned assets	109,639	108,508

8. Trustees' remuneration and benefits

During the year charity paid remuneration £22,800 (2021: £22,800) to Mr K Z Hafeez and £2,500 (2021:£nil) to Mr A U Sheikh in addition to their trusteeship.

continued...

8. **Trustees' remuneration and benefits - continued**

Trustees' expenses

There were no trustee expenses paid for the year ended 31 August 2022 (2021: £nil).

Balance due with trustee

During the year, one of the trustee Mr F Zaheer has advanced £30,000 (2021: £NIL) to the charity as a loan. The loan is interest free and repayable on demand.

9. **Staff costs**

	2022	2021
	£	£
Wages and salaries	2,172,751	2,095,663
Social security costs	166,223	146,839
Other pension costs	40,468	36,689
	2,379,442	2,279,191

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

	2022	2021
Teaching staff	73	77
Support staff	49	37
	122	114

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£70,001 - £80,000	1	1

The key management personnel of the charity comprise the Trustees, the head teachers and the trust administrators. The total employee benefits of the key management personnel of the charity were £152,800 (2021:£177,299).

10. **Comparatives for the statement of financial activities**

	Unrestricted funds £	Restricted fund £	Total funds £
Income and endowments from			
Donations and legacies	210,344	-	210,344
Charitable activities			
Charitable activities	2,761,587	-	2,761,587
Total	2,971,931	-	2,971,931
Expenditure on			
Charitable activities			
Charitable activities	3,018,673	-	3,018,673

continued...

10. Comparatives for the statement of financial activities - continued

	Unrestricted funds £	Restricted fund £	Total funds £
NET INCOME/(EXPENDITURE)	(46,742)	-	(46,742)
Reconciliation of funds			
Total funds brought forward	3,282,300	-	3,282,300
Total funds carried forward	3,235,558	-	3,235,558

11. Tangible fixed assets

	Freehold property £	Short leasehold £	Plant and machinery £
Cost			
At 1 September 2021	3,853,393	177,909	44,802
Additions	27,245	-	29,968
At 31 August 2022	3,880,638	177,909	74,770
Depreciation			
At 1 September 2021	846,648	177,909	6,720
Depreciation	77,613	-	10,207
At 31 August 2022	924,261	177,909	16,927
Net book value			
At 31 August 2022	2,956,377	-	57,843
At 31 August 2021	3,006,745	-	38,082

continued...

11. Tangible fixed assets - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
Cost			
At 1 September 2021	746,565	15,271	4,837,940
Additions	5,545	-	62,758
At 31 August 2022	752,110	15,271	4,900,698
Depreciation			
At 1 September 2021	607,919	14,513	1,653,709
Depreciation	21,629	190	109,639
At 31 August 2022	629,548	14,703	1,763,348
Net book value			
At 31 August 2022	122,562	568	3,137,350
At 31 August 2021	138,646	758	3,184,231

Manchester Islamic Educational Trust owns three freehold properties and these are situated as follows:

- 55 High Lane, Chorlton, Manchester,
- Hartley Hall, Alexandra Road South, Manchester,
- The Grange, 551 Wilmslow Road, Withington, Manchester.

In the opinion of the Trustees, the cost of professionally valuing these assets to include a value in the accounts outweighs the benefits to the users of the accounts. They are insured for £30M which is an estimate of their reinstatement value.

12. Debtors: amounts falling due within one year

	2022 £	2021 £
Trade debtors	22,702	55,996
Other debtors	508,701	9,134
Prepayments and accrued income	4,042	3,556
	535,445	68,686

Other debtors include £500,000 as a capital commitment advance paid for acquiring a new building at Fielden Campus, Manchester.

continued...

13. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	51,219	101,929
Social security and other taxes	25,414	19,380
Pension control account	7,794	6,860
Other creditors	153,254	132,799
Refundable deposits	295,200	331,976
Accruals and deferred income	29,725	11,349
	562,606	604,293

14. Movement in funds

	At 1.9.21	Net movement in funds	At 31.8.22
	£	£	£
Unrestricted funds			
Unrestricted donations	3,235,558	163,122	3,398,680
TOTAL FUNDS	3,235,558	163,122	3,398,680

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
Unrestricted donations	3,395,463	(3,232,341)	163,122
TOTAL FUNDS	3,395,463	(3,232,341)	163,122

Comparatives for movement in funds

	At 1.9.20	Net movement in funds	At 31.8.21
	£	£	£
Unrestricted funds			
Unrestricted donations	3,282,300	(46,742)	3,235,558
TOTAL FUNDS	3,282,300	(46,742)	3,235,558

continued...

14. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted donations	2,971,931	(3,018,673)	(46,742)
TOTAL FUNDS	2,971,931	(3,018,673)	(46,742)

15. Employee benefit obligations

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £40,468 (2021: £36,869).

16. Capital commitments

As at 31 August 2022, Manchester Islamic Educational Trust Ltd had contracted to purchase a new building amounting to £12,750,000.

17. Related party disclosures

During the year charity paid £7,955 (2021:£8,140) towards accountancy services to Zaheer and Co, Chartered Certified Accountants, in which Farroukh Zaheer, who is a trustee of Manchester Islamic Educational Trust Ltd, is a partner.

During the year, one of the trustee Mr F Zaheer has advanced £30,000 (2021: £NIL) to the charity as a loan. The loan is interest free and repayable on demand.

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

England & Wales - Charity number 1073862

Accounts

REGISTERED COMPANY NUMBER: 03544402
REGISTERED CHARITY NUMBER: 1073862

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

REPORT OF THE TRUSTEES AND

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

Xeinadin Audit Ltd (Statutory Auditor)
36 Old Jewry
London
EC2R 8DD

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2021

Trustees	Dr A Al Majid Dr H Al Majid Dr A M Al Saif Mr M S Al-Astewani Dr H S A Al-Khaffaf Mr I A B Al-Salam Mr K Z Hafeez Mrs F Javid Mr A A O Kawooya Mr N Mahmood Mr S B Salam Mr A U Sheikh Mr F Zaheer
Registered office	Hartley Hall Alexandra Road South Manchester M16 8NH
Registered company number	03544402
Registered charity number	1073862
Auditors	Xeinadin Audit Ltd (Statutory Auditor) 36 Old Jewry London EC2R 8DD

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

The trustees, who are the directors for the purpose of the Companies Act 2006 submit their report and the audited financial statements for the year ended 31 August 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 1993 and the Statement of Recommended Practice: Accounting and reporting by Charities 2005. The trustees who served during the year and up to the date of this report are set out on page 1.

Manchester Islamic Educational Trust (MIET) Ltd was incorporated on 9 April 1998 as a company limited by guarantee, under company number 3544402 and has been granted charitable status under Charities Act 1960, in February 1999 under registration number 1073862. MIET runs KD Grammar School for Boys, Manchester Islamic Grammar School for Girls (formerly known as Manchester Islamic High School for Girls) - name change has been approved by Department for Education and Manchester Muslim Preparatory School. These schools operate from three different sites. Land and buildings on these sites are fully owned by MIET. The Trust, which is a limited company, is governed by the policies made from time to time by the trustees together with the terms of its Memorandum and Articles of Association which set out the objects and powers of the company. The trustees are also Directors of the Charity for the purposes of the Companies Act 2006. The power of appointing new trustees is vested in the trustees. The procedure to appoint or withdraw a trustee is adopted in accordance with the Trust Deed. The Board may appoint a trustee during the year to fill a casual vacancy to serve a minimum probationary period of six months, or longer as the case may be. Subject to a satisfactory outcome of the probationary period, a permanent trusteeship may be offered. The Board may also, by a unanimous agreement as specified in its Memorandum and Articles of Association, appoint an employee as a Trustee provided no financial gain may accrue to this Trustee, also employed by the Trust, that also accrues to other employees of the Trust. The Trustees are also encouraged to attend relevant external briefings and training courses. They meet regularly to manage the affairs of the schools and to discuss other affairs. The Board comprises members from a variety of backgrounds and there are sub-committees dealing with various aspects of the operation. All major decisions are ratified by the Board of Trustees. In addition, the trustees are also responsible for setting out the strategy of the Trust and monitoring its progress towards the stated aims and objectives. No additional trustee was appointed and no trustee resigned during this year.

Staff & management are required to progress the aims and objectives of the schools under the Trust's control. Furthermore, students and staff are continuously encouraged to contribute to the local community and wider community by the establishment and development of links at various levels. The day-to-day management of each school is delegated to the respective Head teachers supported by their Senior Management/Leadership Teams. In addition, there are sub-committees covering staffing, curriculum, safeguarding, health & safety, finance and buildings which meet more regularly and are attended by the respective school leaders. This team in turn delegates the responsibility to the teaching and non-teaching staff to ensure smooth implementation.

The Trust is managed by the Board of Trustees. This Board, annually, appoints a Chairperson, Vice Chair Person, and Treasurer. The Board also appoints various coordinators, links and personnel responsible for policies which are of great importance to the schools, i.e. Safeguarding of children; Health & Safety, Finance, ethos and vision of the schools and the Trust, etc. Trustees, in addition to performing visits to the schools and having meeting with the leadership of the schools, have also been employing a Trust Administrative Manager to provide a more in-depth oversight over the school's operation and performance, reporting to the Chairperson and the Vice Chair as well as the treasurer. Each school has a dedicated professional leadership team, most of them have either been already trained in a Senior Leadership role or are being encouraged to undertake this training from the appropriate and accredited training colleges/institutions. The cost of this training is borne by the Trust. The school leadership is also encouraged to develop middle leadership skills from amongst its progressive and able staff within each school.

The objective of the Trust is the advancement in the United Kingdom of education in general, in conjunction with, and complimented by Islamic education. Secondly, it is the objective of the Trust to provide and maintain schools within the United Kingdom for providing facilities to enable young persons in the doctrines and practices of the Islamic faith and in the Arabic language. In this respect the Trust follows the latest regulations in that it

promotes actively the Prevent Strategy of the government and the promotion of democracy and British values. The Trust may in the future try and establish additional Islamic schools to meet demand, but this is subject to availability of adequate funds.

Objectives and activities
Investment policy
The Board of Trustees is authorised under the Memorandum and Articles of Association to make and hold investments using the general funds of the above Charity in any way the trustees wish. However, no such investments are presently held or have been made. Part of one of Trust's properties, Hartley Hall, is rented to Hartley Hall of Residence Ltd and not been valued separately as an additional investment. Its valuation has been provided and included in the asset value given for Trust properties in the accounts being submitted with this report. No separate valuation for the part of the property rented to Hartley Hall of Residence has been done as the trustees feel it would not serve any purpose as the property in its entirety has been valued. This would only incur unnecessary expense. For the purpose of obtaining a fair rent, an outside rental valuation agency was employed to determine this. Rent based on this valuation is being received from Hartley Hall of Residence.

Risk management
The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks. In addition to the risk assessments carried for the purpose of insurance, the schools also carry out numerous other risk assessments as required by the various regulations governing schools.

Objectives and activities
Intended impact and strategies
Within these objects, MIET aims to provide services which will be beneficial to the community it has been set up to serve. The aim of the charity is to benefit the public in the widest possible manner with a view to educate children in a faith-based ethos and environment. MIET is firmly of the belief that such an ethos and environment best serve the public interest and is beneficial for the children who are recipients of the service provided. Education steeped in a faith ethos will prove a firm foundation on which higher education can build a much better citizen who can benefit the nation much more. It is for these reasons that MIET first established faith-based schools: Islamic High School for Girls was established in 1992, followed shortly thereafter by Manchester Muslim Preparatory School. KD Grammar School for Boys was established in 1999.

The schools implement the aims and objectives of the Trust and further the interest of public benefit by endeavouring to provide an outstanding independent education, through strong academic tuition, awareness of spiritual values and developing artistic, spiritual moral, cultural and social skills in all students. This is intended to provide an environment where each pupil can begin to realise his or her own potential, thus helping to build self-confidence and self-esteem in preparation for a contented and fulfilling life contributing to the welfare of the wider community. This is achieved by offering education appropriate to the needs of boys and girls aged from 3 to 16. Progression is given as much emphasis as attainment - they are interlinked. The schools have consistently shown to achieve a much higher value-added component to its educational mix and regime than the national average. Quality of pupils wishing to enrol in our schools is varied, and as diagnostic tools are becoming more sophisticated, it is becoming increasingly evident that some children require specialist SEND support. The schools are equipping themselves to be able to provide this in as many cases as possible. It has been agreed by the Trust to constantly upskill its SEND coordinators so that they are able to provide a continually improved provision and service in this area. These persons then can, in turn, provide the requisite skills to other teaching staff on application of diagnosing and proper application of teaching methodology in this area for these pupils.

The Trustees aim to create a supportive and caring environment where each pupil is recognised and is educated as an individual. MIET seeks to produce academically and spiritually well-educated young men and women, with highly developed interpersonal skills with a broad range of interests. Hence pupils can compete at any level with the brightest and the best. The Trust has over the years continued to extend additional financial help and assistance, in various forms, to the less fortunate who have found it difficult to pay the full fees, as well as discounts to siblings. This has amounted to almost the same amount as was given last year, i.e. approximately £150,000. By offering discount on fees, and occasionally helped by donations received from other sources, MIET has been able to help those who require financial assistance. It has also instituted a Scholarship Scheme whereby it has permitted each of the schools to allow for up to 5 scholarships based entirely and solely on academic achievement of prospective applicants. The trustees continue to explore the area of higher education where some of the students after completing their GCSEs can also avail the opportunity of doing their A level at our schools. It is hoped that with the improvement of economic climate and outlook in the country additional funds will become available to implement this plan. Capital cost and operational viability permitting, the Trustees continue to hope that this plan will go ahead in the future.

It is also worth mentioning here that no discount on fees, or any other incentive, financial or otherwise, is offered or given to any trustee who has a child or children enrolled in any of our schools.

With the marketing effort that was started by the Trust a few years ago beneficial result is being seen in the form of increased interest in the schools by the community, leading to higher than usual applicants wishing to enrol.

The onset of Covid 19 pandemic in February/March of 2020 threw up new and extremely difficult challenges in that the Trust schools not only had to equip and train staff in conducting remote teaching and learning but also to ensure that the recipients, i.e. the pupils, were equipped with the hardware and the knowledge to receive the teaching being imparted remotely by their teachers. The schools, with some additional help of some donors were able to provide the hardware to equip some families who were unable to provide this facility with their own resources. The Trust also arranged training for the teaching staff to enable them to use the remote teaching regime and platform adopted in the best possible way. In addition, the Trust schools, according to the guidelines provided the government, also catered to the needs of the parents and their children who were key workers, by keeping the doors of our schools open and providing these pupils with the appropriate teaching and learning support. The Trust can report that this entire effort during this very trying and challenging period, which it seems is likely to continue, was performed most admirably by our teaching and non-teaching staff.

Strategic report
Achievement and performance

The trustees are pleased that the academic attainment and achievement of the schools has shown improvement throughout the year despite the pandemic. The public examination results for GCSEs continued to reflect the high level of progress, improvement and achievement expected from the students at both schools. Teaching and learning continue to improve. Staff is continuously being trained to improve in this area; regular CPDs and staff insets are organised; extra-curricular activities continue to expand, of course within remote communication guidelines. Trips have been cancelled because of the pandemic for the foreseeable future. It is hoped that with easing of restrictions, and most importantly, with return of confidence, these will be resumed. The organisation of interfaith exchange programmes, fund raising for various Appeals and Charities, such as Penny Appeal, Islamic relief, Christies Hospital, etc. are regularly conducted with a view to impart the importance of such activities in raising awareness of the children and character building. A lot of activities and pursuits have had to be curtailed due to the ongoing pandemic restrictions and care adopted.

The Trustees are also satisfied that the schools are achieving their stated objectives throughout the year in question.

In line with maintaining the buildings and keeping the schools in good and presentable condition, and to fulfil the Health & Safety guidelines, regular repair and maintenance work is carried out. In the Schools computers are regularly upgraded or replaced as and when necessary for the betterment of education. The schools have inter active boards as an additional resource to be used by staff to inform the students better and

facilitate their educational experience in a more robust manner. All this is in line with the Trusts' strategy to improve their educational facilities and to provide an atmosphere where students can feel safe and learn in an environment conducive to learning.

The Trust has this year, as in last few years, been unable to raise funds for capital projects either locally or from abroad. This has remained difficult. However, attempts are continually being made to raise funds to implement smaller improvement and refurbishment work. Efforts are also made to raise funds to provide financial help to deserving children and their parents.

In line with the policy and vision of the Trust, MIET aims to provide British values to their students which is in no way different from the values expressed by their faith: values of tolerance, peace, coexistence, to be charitable, etc. The pupils are taken to houses of worship of other religions and faiths; pupils of other faiths are invited to visit our schools and pupils from our schools visit schools of other faiths or none.

Each school is fortunate to have staff that is hard working and is fully committed and, in turn, is led by a capable leader and Senior Management/ Leadership Teams. New structure in the form of a promotion of senior leadership member to the position of acting Headteacher or a leader, under the guidance of the very experienced executive Headteacher. The position of the Executive Headteacher, a scheme which was instituted in 2017, includes oversight of all the three schools; providing guidance when needed, experience and support when and where required. There have been a few staff changes during the year at all the schools; this is in line with such changes taking place at all schools during the academic year. The Boys School and the Preparatory School also have a Deputy Headteacher to help the leadership.

Financial position
The schools' principal funding source is from school fees, which amounted to £2,681,129 (2020: £2,593,871). The schools and the Trust continue to hire out facilities, including during vacations and after-school hours, and have contributed £80,458 to the income. This facility is provided to the community and the public at discounted prices/rates so as to facilitate ease of availability with a view to benefit the community and public. The amount is less than the previous year because of the pandemic. Fees and salary increase could not to be implemented because of the prevalent economic conditions in the Country. Overhead percentage has remained fairly consistent throughout the period.

Although the principal source of funding for running the schools is the fee charged from the students however, fundraising is being pursued continuously by the schools and the Trust to augment the funds needed.

Reserves policy
The Trust has a Reserves Policy.

This policy details that the charity presently maintains unrestricted funds or/and sufficient asset value to cover unforeseen and major expenditure and shortfalls in income of at least two months. This reserve is to be considered unrestricted. The trustees remain confident in their ability to raise the necessary funds, thereby adhering to the maintenance of a balanced budget.

The Trust also has the following written policies:

- Volunteer policy.
- Conflict of interest policy.
- Investment policy.

Remuneration Policy
The charity follows a policy on remuneration very much dependant on demand and supply of requirement of personnel with a particular skill set or specialism at the given time. It nevertheless considers the overall budgetary and financial position of the charity at that particular time. The risk of losing personnel to other organisations willing to pay more lucrative remuneration always exists however, the charity offsets this by employing younger personnel. It institutes a very rigorous and robust training and professional development

programme to add and provide rigour to teaching and learning and other areas associated with improving the provision of education. Another attraction offered, especially to the higher management level staff, is to provide a very congenial and friendly workplace environment where they are made to feel important and valued.

Going concern
The trustees consider that the projected net income and the value of realisable assets will be more than adequate to cover the current liabilities of the charity. Hence the trustees conclude that the accounts comply with the requirements of the Trust's governing body and it remains a going concern.

Strategic report
Strategic Report, financial review, plans for future periods
The key plans related to the charitable aspects of the schools remain as follows:
- Improvement in teaching & learning;
- Greater emphasis was given to continuous development & training of staff members so that improved teaching and learning and greater numbers could be classified as "Outstanding" and "Good" in their field of work;
- Improvement in systems was achieved;
- A more forensic review of budgets and financial spending was carried out throughout the year. A more thorough scrutiny was instituted;
- The need for effective use of space and resources within the schools;
- Improvement of the marketing plans for recruiting extra students in all schools;
- To maintain and improve the current high standards of academic achievement as measured by external examinations and independent value-added criteria;
- To continue focusing on continued professional development for teachers and the management;
- To find ways & means to provide funding so as to offer financial assistance to more applicants than being presently done.

Structure, governance and management
Governing document
The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Statement of trustees' responsibilities
The trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the trustees are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

In so far as the trustees are aware:
- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, Xeinadin Audit Ltd (Statutory Auditor), will be proposed for appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 23/12/2022 and signed on the board's behalf by:

Mr F Zaheer - Trustee

Opinion

We have audited the financial statements of Manchester Islamic Educational Trust Ltd (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Farook Patel (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Ltd (Statutory Auditor)
36 Old Jewry
London
EC2R 8DD

Date: 24/05/2022

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
Income and endowments from					
Donations and legacies	3	210,344	-	210,344	263,928
Charitable activities	4				
Charitable activities		2,761,587	-	2,761,587	2,852,738
Total		2,971,931	-	2,971,931	3,116,666
Expenditure on					
Charitable activities	5				
Charitable activities		3,018,673	-	3,018,673	3,158,895
NET INCOME/(EXPENDITURE)		(46,742)	-	(46,742)	(42,229)
Reconciliation of funds					
Total funds brought forward		3,282,300	-	3,282,300	3,324,529
Total funds carried forward		3,235,558	-	3,235,558	3,282,300

The notes form part of these financial statements

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD (REGISTERED NUMBER: 03544402)

STATEMENT OF FINANCIAL POSITION
31 AUGUST 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
Fixed assets					
Tangible assets	11	3,184,231	-	3,184,231	3,246,999
Investments	12	-	-	-	100
		3,184,231	-	3,184,231	3,247,099
Current assets					
Debtors	13	68,686	-	68,686	51,405
Cash at bank and in hand		586,934	-	586,934	528,797
		655,620	-	655,620	580,202
Creditors					
Amounts falling due within one year	14	(604,293)	-	(604,293)	(545,001)
Net current assets		51,327	-	51,327	35,201
Total assets less current liabilities		3,235,558	-	3,235,558	3,282,300
NET ASSETS		3,235,558	-	3,235,558	3,282,300
Funds	15				
Unrestricted funds				3,235,558	3,282,300
Total funds				3,235,558	3,282,300

The financial statements were approved by the Board of Trustees and authorised for issue on 23/5/2022 and were signed on its behalf by:

Mr F Zaheer - Trustee

The notes form part of these financial statements

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	103,777	127,804
Net cash provided by operating activities		103,777	127,804
Cash flows from investing activities			
Purchase of tangible fixed assets		(45,740)	(6,309)
Sale of fixed asset investments		100	-
Net cash used in investing activities		(45,640)	(6,309)
Change in cash and cash equivalents in the reporting period		58,137	121,495
Cash and cash equivalents at the beginning of the reporting period		528,797	407,302
Cash and cash equivalents at the end of the reporting period		586,934	528,797

The notes form part of these financial statements

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

1. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(46,742)	(42,229)
Adjustments for:		
Depreciation charges	108,508	106,024
(Increase)/decrease in debtors	(17,281)	13,928
Increase in creditors	59,292	50,081
Net cash provided by operations	103,777	127,804

2. Analysis of changes in net funds

	At 1.9.20 £	Cash flow £	At 31.8.21 £
Net cash			
Cash at bank and in hand	528,797	58,137	586,934
	528,797	58,137	586,934
Total	528,797	58,137	586,934

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Basis of consolidation
The group financial statements consolidate the financial statements of the Charity and its wholly owned subsidiary Hartley Boarding Halls Limited. All inter group transactions and profits are eliminated fully on consolidation. As permitted by section 408 of the Companies Act 2006, a separate Statement of Financial Activities and income and expenditure account for the charity itself are not presented.

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

Income from school fees represents fees earned in respect of the provision of education to pupils during the year. Fees for education to be provided in future years are carried forward as deferred income in the balance sheet.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income from investments is included in the year in which it is receivable.

Resources expended
Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

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

Freehold property	- 2% per annum straight line basis
Short leasehold	- Straight line over 10 years
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

continued...

1. Accounting policies - continued

Taxation
The charity is exempt from corporation tax on its charitable activities.

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

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

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

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash and bank in hand, trade debtors and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Donations and legacies

	2021	2020
	£	£
Donations received	30,430	18,423
Grants	137,883	245,505
Other income	42,031	-
	210,344	263,928

continued...

4. Income from charitable activities

	Activity	2021 £	2020 £
School fees	Charitable activities	2,681,129	2,593,871
Rent received and hire of facilities	Charitable activities	69,648	75,150
Books, sundry fees and miscellaneous income	Charitable activities	10,810	183,717
		2,761,587	2,852,738

5. Charitable activities costs

	Direct Costs £	Support costs (see note 6) £	Totals £
Charitable activities	2,371,886	646,787	3,018,673

6. Support costs

	Management £	Finance £	Information technology £
Charitable activities	516,402	6,419	70,408

	Other £	Governance costs £	Totals £
Charitable activities	321	53,237	646,787

7. Net income/(expenditure)

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

	2021 £	2020 £
Auditors' remuneration	4,680	4,680
Depreciation - owned assets	108,508	106,024

8. Trustees' remuneration and benefits

During the year charity paid remuneration £22,800 (2020: £22,800) to Mr K Z Hafeez in addition to his trusteeship.

continued...

8. **Trustees' remuneration and benefits - continued**

Trustees' expenses

There were no trustee expenses paid for the year ended 31 August 2021 (2020: £NIL).

9. **Staff costs**

	2021	2020
	£	£
Wages and salaries	2,095,663	2,141,229
Social security costs	146,839	158,124
Other pension costs	36,689	34,789
	2,279,191	2,334,142

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

	2021	2020
Teaching staff	77	68
Support staff	37	45
	114	113

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
	1	1

The key management personnel of the charity comprise the Trustees, the Head teachers and the trust administrators. The total employee benefits of the key management personnel of the charity were £177,299 (2020: £168,574).

10. **Comparatives for the statement of financial activities**

	Unrestricted funds	Restricted fund	Total funds
	£	£	£
Income and endowments from			
Donations and legacies	263,928	-	263,928
Charitable activities			
Charitable activities	2,852,738	-	2,852,738
Total	3,116,666	-	3,116,666
Expenditure on			
Charitable activities			
Charitable activities	3,158,895	-	3,158,895

continued...

10. Comparatives for the statement of financial activities - continued

	Unrestricted funds £	Restricted fund £	Total funds £
NET INCOME/(EXPENDITURE)	(42,229)	-	(42,229)
Reconciliation of funds			
Total funds brought forward	3,324,529	-	3,324,529
Total funds carried forward	3,282,300	-	3,282,300

11. Tangible fixed assets

	Freehold property £	Short leasehold £	Plant and machinery £
Cost			
At 1 September 2020	3,853,393	177,909	-
Additions	-	-	44,802
At 31 August 2021	3,853,393	177,909	44,802
Depreciation			
At 1 September 2020	769,580	177,909	-
Depreciation	77,068	-	6,720
At 31 August 2021	846,648	177,909	6,720
Net book value			
At 31 August 2021	3,006,745	-	38,082
At 31 August 2020	3,083,813	-	-

continued...

11. Tangible fixed assets - continued

	Fixtures and fittings £	Motor vehicles £	Totals £
Cost			
At 1 September 2020	745,627	15,271	4,792,200
Additions	938	-	45,740
At 31 August 2021	746,565	15,271	4,837,940
Depreciation			
At 1 September 2020	583,452	14,260	1,545,201
Depreciation	24,467	253	108,508
At 31 August 2021	607,919	14,513	1,653,709
Net book value			
At 31 August 2021	138,646	758	3,184,231
At 31 August 2020	162,175	1,011	3,246,999

Manchester Islamic Educational Trust owns three freehold properties and these are situated as follows:

- 55 High Lane, Chorlton, Manchester,
- Hartley Hall, Alexandra Road South, Manchester,
- The Grange, 551 Wilmslow Road, Withington, Manchester.

In the opinion of the Trustees, the cost of professionally valuing these assets to include a value in the accounts outweighs the benefits to the users of the accounts. They are insured for £30.6M which is an estimate of their reinstatement value.

12. Fixed asset investments

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Hartley Boarding Halls Ltd
Registered office: 61a Brantingham Road, Whalley Range, Manchester, England, M16 8PA
Nature of business: Rental income from student accommodation

Class of share:	% holding
Equity share	100

	2021 £	2020 £
Aggregate capital and reserves	-	100

The charity controls its trading subsidiary Hartley Boarding Halls Ltd (Company Number 08956450, previously known as Hartley Hall of Residence Ltd), a company registered in England and Wales, by virtue of holding 100% equity share capital.

continued...

12. Fixed asset investments - continued

Hartley Boarding Halls Ltd principal activity continues to be that of receiving rental income from student accommodation. Hartley Boarding Halls Ltd was set up for furthering the fundraising activities of Manchester Islamic Educational Trust Ltd (Charity) with all profits to be donated back to Charity. The charity made an application to strike the company off the register on 17 March 2021 and was dissolved on 15 June 2021.

13. Debtors: amounts falling due within one year

	2021	2020
	£	£
Trade debtors	55,996	23,826
Other debtors	9,134	24,023
Prepayments and accrued income	3,556	3,556
	68,686	51,405

14. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	101,929	67,235
Social security and other taxes	19,380	59,889
Pension control account	6,860	6,138
Other creditors	132,799	85,368
Refundable deposits	331,976	318,726
Accruals and deferred income	11,349	7,645
	604,293	545,001

15. Movement in funds

	At 1.9.20	Net movement in funds	At 31.8.21
	£	£	£
Unrestricted funds			
Unrestricted donations	3,282,300	(46,742)	3,235,558
TOTAL FUNDS	3,282,300	(46,742)	3,235,558

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
Unrestricted donations	2,971,931	(3,018,673)	(46,742)
TOTAL FUNDS	2,971,931	(3,018,673)	(46,742)

continued...

15. **Movement in funds - continued**

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
Unrestricted donations	3,324,529	(42,229)	3,282,300
TOTAL FUNDS	3,324,529	(42,229)	3,282,300

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted donations	3,116,666	(3,158,895)	(42,229)
TOTAL FUNDS	3,116,666	(3,158,895)	(42,229)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.19 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
Unrestricted donations	3,324,529	(88,971)	3,235,558
TOTAL FUNDS	3,324,529	(88,971)	3,235,558

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted donations	6,088,597	(6,177,568)	(88,971)
TOTAL FUNDS	6,088,597	(6,177,568)	(88,971)

continued...

16. Employee benefit obligations

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £36,689 (2020: £34,789).

17. Related party disclosures

During the year charity paid £8,140 (2020: £8,534) towards accountancy services to Zaheer and Co, Chartered Certified Accountants, in which Farroukh Zaheer, who is a trustee of Manchester Islamic Educational Trust Ltd, is a partner.

Manchester Islamic Educational Trust Ltd owns 100% share capital of Hartley Boarding Halls Ltd. Farroukh Zaheer, Nasar Mahmood, Haytham Al-Khaffaf are directors of Hartley Boarding Halls Ltd. The charity made an application to strike the company off the register on 17 March 2021 and finally dissolved on 15 June 2021.

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Income and endowments		
Donations and legacies		
Donations received	30,430	18,423
Grants	137,883	245,505
Other income	42,031	-
	210,344	263,928
Charitable activities		
School fees	2,681,129	2,593,871
Rent received and hire of facilities	69,648	75,150
Books, sundry fees and miscellaneous income	10,810	183,717
	2,761,587	2,852,738
Total incoming resources	2,971,931	3,116,666
Expenditure		
Charitable activities		
Wages	2,095,663	2,141,229
Social security	146,839	158,124
Pensions	36,689	34,789
Books and resources	81,753	100,977
School trips and coach hire	9,550	113,326
Donations	1,392	2,198
	2,371,886	2,550,643
Support costs		
Management		
Rates and water	30,678	31,446
Insurance	37,451	32,955
Light and heat	67,092	66,195
Telephone	14,795	14,262
Postage and stationery	15,681	16,253
Advertising	29,707	69,492
Sundries	1,511	1,590
Canteen cost	12,489	48,031
Cleaning	106,153	66,663
Subscriptions	39,404	36,553
Staff recruitment and training	11,056	9,806
Bad debts	41,877	560
Freehold property	77,068	77,068
Plant and machinery	6,720	-
Carried forward	491,682	470,874

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021

	2021 £	2020 £
Management		
Brought forward	491,682	470,874
Fixtures and fittings	24,467	28,619
Motor vehicles	253	337
	516,402	499,830
Finance		
Bank charges	6,419	6,040
Information technology		
Repairs and renewals	66,749	60,237
Software licences	3,659	5,789
	70,408	66,026
Other		
Motor and travel expenses	321	3,197
Governance costs		
Auditors' remuneration	4,680	4,680
Accountancy and legal fees	15,640	11,409
Legal fees	8,648	10,561
Consultancy fees	24,269	6,509
	53,237	33,159
Total resources expended	3,018,673	3,158,895
Net expenditure	(46,742)	(42,229)

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

England & Wales - Charity number 1073862

Accounts

REGISTERED COMPANY NUMBER: 03544402
REGISTERED CHARITY NUMBER: 1073862

MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

REPORT OF THE TRUSTEES AND

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

Riley Moss Audit LLP (Statutory Auditor)
Riley House
183-185 North Road
Preston
Lancashire
PR1 1YQ

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD

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FOR THE YEAR ENDED 31 AUGUST 2020

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2020

Trustees	Dr A Al Majid Dr H Al Majid Dr A M Al Saif Mr M S Al-Astewani Dr H S A Al-Khaffaf Mr I A B Al-Salam Mr K Z Hafeez Mrs F Javid Mr A A O Kawooya Mr N Mahmood Mr S B Salam Mr A U Sheikh Mr F Zaheer
Registered office	Hartley Hall Alexandra Road South Manchester M16 8NH
Registered company number	03544402
Registered charity number	1073862
Auditors	Riley Moss Audit LLP (Statutory Auditor) Riley House 183-185 North Road Preston Lancashire PR1 1YQ

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities
Structure, governance and management

The trustees, who are the directors for the purpose of the Companies Act 1985 submit their report and the audited financial statements for the year ended 31 August 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 1993 and the Statement of Recommended Practice: Accounting and reporting by Charities 2005. The trustees who served during the year and up to the date of this report are set out on page 1.

Manchester Islamic Educational Trust (MIET) Ltd was incorporated on 9 April 1998 as a company limited by guarantee, under company number 3544402 and has been granted charitable status under Charities Act 1960, in February 1999 under registration number 1073862. MIET runs KD Grammar School for Boys, Manchester Islamic Grammar School for Girls (formerly known as Manchester Islamic High School of Girls) and Manchester Muslim Preparatory School. These schools operate from three different sites. Land and buildings on these sites are fully owned by MIET. The Trust, which is a limited company, is governed by the policies made from time to time by the trustees together with the terms of its Memorandum and Articles of Association which set out the objects and powers of the company. The trustees are also Directors of the Charity for the purposes of the Companies Act 1985. The power of appointing new trustees is vested in the trustees. The procedure to appoint or withdraw a trustee is adopted in accordance with the Trust Deed. The Board may appoint a trustee during the year to fill a casual vacancy to serve a minimum probationary period of six months, or longer as the case may be. Subject to a satisfactory outcome of the probationary period, a permanent trusteeship may be offered. The Board may also, by a unanimous agreement as specified in its Memorandum and Articles of Association, appoint an employee as a Trustee provided no financial gain may accrue to this Trustee, also employed by the Trust, that also accrues to other employees of the Trust. The Trustees are also encouraged to attend relevant external briefings and training courses. They meet regularly to manage the affairs of the schools and to discuss other affairs. The Board comprises members from a variety of backgrounds and there are sub-committees dealing with various aspects of the operation. All major decisions are ratified by the Board of Trustees. In addition, the trustees are also responsible for setting out the strategy of the Trust and monitoring its progress towards the stated aims and objectives. No additional trustee was appointed and no trustee resigned during this year.

Staff & management are required to progress the aims and objectives of the schools under the Trust's control. Furthermore, students and staff are continuously encouraged to contribute to the local community and wider community by the establishment and development of links at various levels. The day to day management of each school is delegated to the respective Head teachers supported by their Senior Management/Leadership Teams (please see organisation chart at the end of the report). In addition, there are sub-committees covering staffing, curriculum, safeguarding, health & safety, finance and buildings which meet more regularly and are attended by the Head teachers. This team in turn delegates the responsibility to the teaching and non-teaching staff to ensure smooth implementation.

The Trust is managed by the Board of Trustees. This Board, annually, appoints a Chairperson, Vice Chair Person, and Treasurer. The Board also appoints various coordinators, links and personnel responsible for policies which are of great importance to the schools, i.e. Safeguarding of children; Health & Safety, Finance, ethos and vision of the schools and the Trust, etc. Trustees, in addition to performing visits to the schools and having meeting with the leadership of the schools, has also been employing Trust Administrative Manager to provide a more in-depth oversight over school's operation and performance, reporting to the Chairperson and the Vice Chair as well as the treasurer. Each school has a dedicated professional leadership team, most of them have either been already trained in a Senior Leadership role or are being encouraged to undertake this training from the appropriate and accredited training colleges/institutions. The cost of this training is borne by the Trust. The school leadership is also encouraged to develop middle leadership skills from amongst its progressive and able staff within each school.

The objective of the Trust is the advancement in the United Kingdom of education in general, in conjunction with, and complimented by Islamic education. Secondly, it is the objective of the Trust to provide and maintain schools within the United Kingdom for providing facilities to enable young persons in the doctrines and practices of the Islamic faith and in the Arabic language. In this respect the Trust follows the latest regulations in that it promotes actively the Prevent Strategy of the government and the promotion of democracy and British values. The Trust may in the future try and establish additional Islamic schools to meet demand, but this is subject to availability of adequate funds.

Investment policy
The Board of Trustees is authorised under the Memorandum and Articles of Association to make and hold investments using the general funds of the above Charity in any way the trustees wish. However, no such investments are presently held or have been made. Part of one of Trust's properties, Hartley Hall, is rented to Hartley Hall of Residence Ltd, has not been valued separately as an additional investment. Its valuation has been provided and included in the asset value given for Trust properties in the accounts being submitted with this report. No separate valuation for the part of the property rented to Hartley Hall of Residence has been done as the trustees feel it would not serve any purpose as the property in its entirety has been valued. This would only incur unnecessary expense. For the purpose of obtaining a fair rent, an outside rental valuation agency was employed to determine this. Rent based on this valuation is being received from Hartley Hall of Residence. Recently an increase in rent was effected keeping in view market trend in this area.

Risk management
The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks. In addition to the risk assessments carried for the purpose of insurance, the schools also carry out numerous other risk assessments as required by the various regulations governing schools.

Objectives and activities

Intended impact and strategies

Within these Objects, MIET aims to provide services which will be beneficial to the community it has been set up to serve. The aim of the Charity is to benefit the public in the widest possible manner with a view to educate children in a faith based ethos and environment. MIET is firmly of the belief that such an ethos and environment best serves the public interest and is beneficial for the children who are recipients of the service provided. Education steeped in a faith ethos will prove a firm foundation on which higher education can build a much better citizen who can benefit the nation much more. It is for these reasons that MIET first established faith based schools: Islamic High School for Girls was established in 1992, followed shortly thereafter by Manchester Muslim Preparatory School. KD Grammar School for Boys was established in 1999.

The Schools implement the Aims and Objectives of the Trust and further the interest of public benefit by endeavouring to provide an outstanding independent education, through strong academic tuition, awareness of spiritual values and developing artistic, spiritual moral, cultural and social skills in all students. This is intended to provide an environment where each pupil can begin to realise his or her own potential, thus helping to build self-confidence and self-esteem in preparation for a contented and fulfilling life contributing to the welfare of the wider community. This is achieved by offering education appropriate to the needs of boys and girls aged from 3 to 16. Progression is given as much emphasis as attainment - they are interlinked. The schools have consistently shown to achieve a much higher value added component to its educational mix and regime than the national average. Quality of pupils wishing to enrol in our schools is varied, and as diagnostic tools are becoming more sophisticated, it is becoming increasingly evident that some children require specialist SEND support for special students. The schools are equipping themselves to be able to provide this in as many cases as possible. It has been agreed by the Trust to constantly upskill its SEND coordinators so that they are able to provide a continually improved provision and service in this area. These persons then can, in turn, provide the requisite skills to other teaching staff on application of diagnosing and proper application of teaching methodology in this area for these pupils.

The Trustees aim to create a supportive and caring environment where each pupil is recognised and is educated as an individual. MIET seeks to produce academically and spiritually well-educated young men and women, with highly developed interpersonal skills with a broad range of interests. Hence pupils can compete at any level with the brightest and the best. The Trust has over the years continued to extend additional financial help and assistance, in various forms, to the less fortunate who have found it difficult to pay the full fees, as well as discounts to siblings. This has amounted to almost the same amount as was given last year, i.e. approximately £150,000. By offering discount on fees, and occasionally helped by donations received from other sources, MIET has been able to help those who require financial assistance. It has also instituted a Scholarship Scheme whereby it has allowed each of the schools to allow for up to 5 scholarships based entirely and solely on academic achievement of prospective applicants. The trustees continue to explore the area of higher education where some of the students after completing their GCSEs can also avail the opportunity of doing their A level at our schools. It is hoped that with the improvement of economic climate and outlook in the country additional funds will become available to implement this plan. Capital cost and operational viability permitting, the Trustees continue to hope that this plan will go ahead in the near future.

It is also worth mentioning here that no discount on fees, or any other incentive, financial or otherwise, is offered or given to any trustee who has a child or children enrolled in any of our schools.

The Trust is also aware, as mentioned previously, that with the opening of new free Schools in Manchester may possibly lower number of pupils. These Free Schools did have a detrimental effect on intake of our schools however the marketing strategy employed, as recommended by the marketing company employed by the Trust, has somewhat offset this negative effect.

Objectives and activities

The onset of Covid 19 pandemic in February/March of 2020 threw up new and extremely difficult challenges in that the Trust schools not only had to equip and train staff in conducting remote teaching and learning but also to ensure that the recipients, i.e. the pupils, were equipped with the hardware and the knowledge to receive the teaching being imparted remotely by their teachers. The schools, with some additional help of some donors were able to provide the hardware to equip some families who were unable to provide this facility with their own resources. The Trust also arranged training for the teaching staff to enable them to use the remote teaching regime and platform adopted in the best possible way. In addition, the Trust schools, according to the guidelines provided the government, also catered to the needs of the parents and their children who were key workers, by keeping the doors of our schools open and providing these pupils with the appropriate teaching and learning support. The Trust can report that this entire effort during this very trying and challenging period, which it seems is likely to continue, was performed most admirably by our teaching and non-teaching staff.

Strategic report

Achievement and performance

The trustees are pleased that the academic attainment and achievement of the schools has shown improvement throughout the year despite the pandemic. The public examination results for GCSEs continued to reflect the high level of progress, improvement and achievement expected from the students at both schools. Teaching and learning continues to improve. Staff is continuously being trained to improve in this area; regular CPDs and staff insets are organised; extra-curricular activities continue to expand, ofcourse within remote communication guidelines. Trips have been cancelled because of the pandemic for the foreseeable future. It is hoped that with easing of restrictions, and most importantly, with return of confidence, these will be resumed. The organisation of interfaith exchange programmes, fund raising for various Appeals and Charities, such as Penny Appeal, Islamic relief, Christies Hospital, etc. are regularly conducted with a view to impart the importance of such activities in raising awareness of the children and character building. A lot of activities and pursuits have had to be curtailed due to the ongoing pandemic restrictions and care adopted.

The Trustees are also satisfied that the schools are achieving their stated objectives throughout the year in question.

In line with maintaining the buildings and keeping the schools in good and presentable condition, and to fulfil the Health & Safety guidelines, regular repair and maintenance work is carried out. In the Schools computers are regularly upgraded or replaced as and when necessary for the betterment of education. The schools have inter-active boards as an additional resource to be used by staff to inform the students better and facilitate their educational experience in a more robust manner. All this is in line with the Trusts' strategy to improve their educational facilities and to provide an atmosphere where students can feel safe and learn in an environment conducive to learning.

The Trust has this year, as in last few years, been unable to raise funds for capital projects either locally or from abroad. This has remained difficult. However, attempts are continually being made to raise funds to implement smaller improvement and refurbishment work. Efforts are also made to raise funds to provide financial help to deserving children and their parents.

In line with the policy and vision of the Trust, MIET aims to provide British values to their students which is in no way different from the values expressed by their faith: values of tolerance, peace, coexistence, to be charitable, etc. The pupils are taken to houses of worship of other religions and faiths; pupils of other faiths are invited to visit our schools and pupils from our schools visit schools of other faiths or none.

The Schools each have a separate dedicated Headteacher and each of the Schools is fortunate to have staff that is hard working and is fully committed and, in turn, is led by a capable Headteacher and Senior Management/ Leadership Teams. New structure in the form of a promotion of senior leadership member to the position of Acting Headteacher, under the guidance of the very experience Headteacher of our Manchester Islamic High School for Girls was instituted in September 2017. The position of the Executive Headteacher, as an interim position, was also extended to include KD Grammar School for Boys with a view to assist the Headteacher of that school. The Trustees were also of the view that by bringing all the three schools under the umbrella and purview of the Executive Headteacher. There have been a few staff changes during the year at all the schools; this is in line with such changes taking place at all schools during the academic year. The Boys School and the Preparatory School also have a Deputy Headteacher to help the Headteacher.

Strategic report
Financial review
Financial position
The schools' principal funding source is from school fees, which amounted to £2,593,871 (2019: £2,722,218). The schools continue to hire out facilities during vacations and after-school hours, and have contributed £75,150 (2019: 96,800) to income.This facility aims to provide maximum benefits to the community and the general public by facilitating ease of availability of resources. The amount is less than the previous year because of the pandemic. Fees and salary increase could not to be implemented because of the prevalent economic conditions in the country. Overhead percentage has remained fairly consistent throughout the period.

Although the principal source of funding for running the schools is the fee charged from the students however fundraising is continually and continuously being pursued by the Schools and the Trust to augment the funds needed by the schools.

Reserves policy
The Trust has a Reserves Policy.

This policy details that the charity presently maintains unrestricted funds or/and sufficient asset value to cover unforeseen and major expenditure and shortfalls in income of atleast two months. This reserve is to be considered unrestricted. The trustees remain confident in their ability to raise the necessary funds, thereby adhering to the maintenance of a balanced budget.

The Trust also has the following written policies:

- Volunteer Policy.
- Conflict of Interest Policy.
- Investment Policy.

Remuneration Policy
The Charity follows a policy on remuneration very much dependant on demand and supply of requirement of personnel with a particular skill set or specialism at the given time. It nevertheless takes into account the overall budgetary and financial position of the Charity at that particular time. The risk of losing personnel to other organisations willing to pay more lucrative remuneration always exists, however the Charity offsets this by employing younger less experienced personnel but at the same time instituting a very rigorous and robust training and professional development programme. Another attraction offered, especially to the higher management level staff, is to provide a very congenial and friendly workplace environment where they are made to feel important and valued.

Going concern
The trustees consider that the projected net income and the value of realisable assets will be more than adequate to cover the current liabilities of the charity.

Hence the trustees conclude that the accounts comply with the requirements of the Trust's governing body and it remains a going concern.

Strategic report

Strategic Report, financial review, plans for future periods

The key plans related to the charitable aspects of the Schools remain as follows:

¢ Improvement in teaching & learning

¢ Greater emphasis was given to continuous development & training of staff members so that improved teaching and learning and greater numbers could be classified as "Outstanding" and "Good" in their field of work.

¢ Improvement in systems was achieved.

¢ A more forensic review of budgets and financial spending was carried out throughout the year. A more thorough scrutiny was instituted.

¢ The need for effective use of space and resources within the Schools;

¢ Improvement of the marketing plans for recruiting extra students in all schools;

¢ To maintain and improve the current high standards of academic achievement as measured by external examinations and independent value added criteria;

¢ To continue focusing on continued professional development for teachers and the management.

¢ To find ways & means to provide funding so as to offer financial assistance to more applicants than being presently done.

Structure, governance and management

Governing document

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

Statement of trustees' responsibilities

The trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, Riley Moss Audit LLP (Statutory Auditor), will be proposed for re-appointment at the forthcoming Annual General Meeting.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 20/05/21 and signed on the board's behalf by:

.....
Mr F Zaheer - Trustee

Opinion
We have audited the financial statements of Manchester Islamic Educational Trust Ltd (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.
The trustees are responsible for preparing the annual report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.
Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the trustees are required to:
select suitable accounting policies and then apply them consistently;
make judgements and estimates that are reasonable and prudent; and
prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MANCHESTER ISLAMIC EDUCATIONAL TRUST LTD

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Farook Patel (Senior Statutory Auditor)
for and on behalf of Riley Moss Audit LLP (Statutory Auditor)
Riley House
183-185 North Road
Preston
Lancashire
PR1 1YQ

Date: 25/5/2021

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
Income and endowments from					
Donations and legacies	3	263,928	-	263,928	121,186
Charitable activities	4				
Charitable activities		2,852,738	-	2,852,738	3,000,521
Total		3,116,666	-	3,116,666	3,121,707
Expenditure on					
Charitable activities	5				
Charitable activities		3,158,895	-	3,158,895	3,365,727
NET INCOME/(EXPENDITURE)		(42,229)	-	(42,229)	(244,020)
Reconciliation of funds					
Total funds brought forward		3,324,529	-	3,324,529	3,568,549
Total funds carried forward		3,282,300	-	3,282,300	3,324,529

The notes form part of these financial statements

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD (REGISTERED NUMBER: 03544402)

STATEMENT OF FINANCIAL POSITION
31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
Fixed assets					
Tangible assets	11	3,246,999	-	3,246,999	3,346,714
Investments	12	100	-	100	100
		3,247,099	-	3,247,099	3,346,814
Current assets					
Debtors	13	51,405	-	51,405	65,333
Cash at bank and in hand		528,797	-	528,797	407,302
		580,202	-	580,202	472,635
Creditors					
Amounts falling due within one year	14	(545,001)	-	(545,001)	(494,920)
Net current assets		35,201	-	35,201	(22,285)
Total assets less current liabilities		3,282,300	-	3,282,300	3,324,529
NET ASSETS		3,282,300	-	3,282,300	3,324,529
Funds	15				
Unrestricted funds				3,282,300	3,324,529
Total funds				3,282,300	3,324,529

The financial statements were approved by the Board of Trustees and authorised for issue on ..... 20/05/21 ..... and were signed on its behalf by:

.....
Mr F Zaheer - Trustee

The notes form part of these financial statements

MANCHESTER ISLAMIC EDUCATIONAL TRUST
LTD

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	127,804	(19,815)
Net cash provided by/(used in) operating activities		127,804	(19,815)
Cash flows from investing activities			
Purchase of tangible fixed assets		(6,309)	(37,591)
Net cash used in investing activities		(6,309)	(37,591)
Change in cash and cash equivalents in the reporting period		121,495	(57,406)
Cash and cash equivalents at the beginning of the reporting period		407,302	464,708
Cash and cash equivalents at the end of the reporting period		528,797	407,302

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Reconciliation of net expenditure to net cash flow from operating activities

	2020 £	2019 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(42,229)	(244,020)
Adjustments for:		
Depreciation charges	106,024	110,073
Decrease in debtors	13,928	71,890
Increase in creditors	50,081	42,242
Net cash provided by/(used in) operations	127,804	(19,815)

2. Analysis of changes in net funds

	At 1.9.19 £	Cash flow £	At 31.8.20 £
Net cash			
Cash at bank and in hand	407,302	121,495	528,797
	407,302	121,495	528,797
Total	407,302	121,495	528,797

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Basis of consolidation
The group financial statements consolidate the financial statements of the Charity and its wholly owned subsidiary Hartley Boarding Halls Limited. All inter group transactions and profits are eliminated fully on consolidation. As permitted by section 408 of the Companies Act 2006, a separate Statement of Financial Activities and income and expenditure account for the charity itself are not presented.

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

Income from school fees represents fees earned in respect of the provision of education to pupils during the year. Fees for education to be provided in future years are carried forward as deferred income in the balance sheet.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income from investments is included in the year in which it is receivable.

Resources expended
Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

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

Freehold property	- 2% per annum straight line basis
Short leasehold	- Straight line over 10 years
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

continued...

1. Accounting policies - continued

Taxation
The charity is exempt from corporation tax on its charitable activities.

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

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

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

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash and bank in hand, trade debtors and other debtors. A specific provision is made for debts for which recoverability is in doubt. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes.

2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Donations and legacies

	2020	2019
	£	£
Donations received	18,423	121,186
Grants	245,505	-
	263,928	121,186

continued...

4. Income from charitable activities

	Activity	2020 £	2019 £
School fees	Charitable activities	2,593,871	2,722,218
Rent received and hire of facilities	Charitable activities	75,150	96,800
Books, sundry fees and miscellaneous income	Charitable activities	183,717	181,503
		2,852,738	3,000,521

5. Charitable activities costs

	Direct Costs £	Support costs (see note 6) £	Totals £
Charitable activities	2,550,643	608,252	3,158,895

6. Support costs

	Management £	Finance £	Informatio technology £
Charitable activities	499,830	6,040	60,237

	Human resources £	Other £	Governance costs £	Totals £
Charitable activities	5,789	3,197	33,159	608,252

7. Net income/(expenditure)

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

	2020 £	2019 £
Auditors' remuneration	4,680	4,680
Depreciation - owned assets	106,024	110,073

continued...

8. Trustees' remuneration and benefits

During the year charity paid remuneration £22,800 (2019: £11,400) to Mr K Z Hafeez in addition to their trusteeship.

Trustees' expenses

There were no trustee expenses paid for the year ended 31 August 2020 (2019: £8,297).

9. Staff costs

	2020	2019
	£	£
Wages and salaries	2,141,229	2,194,327
Social security costs	158,124	174,593
Other pension costs	34,789	29,406
	2,334,142	2,398,326

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

	2020	2019
Teaching staff	68	68
Support staff	45	45
	113	113

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	2019
£60,001 - £70,000	1	1

The key management personnel of the charity comprise the Trustees, the Head teachers and the trust administrators. The total employee benefits of the key management personnel of the charity were £168,574 (2019:£193,568).

10. Comparatives for the statement of financial activities

	Unrestricted funds £	Restricted fund £	Total funds £
Income and endowments from			
Donations and legacies	121,186	-	121,186
Charitable activities			
Charitable activities	3,000,521	-	3,000,521
Total	3,121,707	-	3,121,707
Expenditure on			
Charitable activities			
Charitable activities	3,365,727	-	3,365,727

continued...

10. Comparatives for the statement of financial activities - continued

	Unrestricted funds £	Restricted fund £	Total funds £
NET INCOME/(EXPENDITURE)	(244,020)	-	(244,020)
Reconciliation of funds			
Total funds brought forward	3,568,549	-	3,568,549
Total funds carried forward	3,324,529	-	3,324,529

11. Tangible fixed assets

	Freehold property £	Short leasehold £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost					
At 1 September 2019	3,853,393	177,909	739,318	15,271	4,785,891
Additions	-	-	6,309	-	6,309
At 31 August 2020	3,853,393	177,909	745,627	15,271	4,792,200
Depreciation					
At 1 September 2019	692,512	177,909	554,833	13,923	1,439,177
Charge for year	77,068	-	28,619	337	106,024
At 31 August 2020	769,580	177,909	583,452	14,260	1,545,201
Net book value					
At 31 August 2020	3,083,813	-	162,175	1,011	3,246,999
At 31 August 2019	3,160,881	-	184,485	1,348	3,346,714

Manchester Islamic Educational Trust owns three freehold properties and these are situated as follows:

- 55 High Lane, Chorlton, Manchester,
- Hartley Hall, Alexandra Road South, Manchester,
- The Grange, 551 Wilmslow Road, Withington, Manchester.

In the opinion of the Trustees, the cost of professionally valuing these assets to include a value in the accounts outweighs the benefits to the users of the accounts. They are insured for £30.6M which is an estimate of their reinstatement value.

continued...

12. Fixed asset investments

	Shares in group undertakin £
Market value	
At 1 September 2019 and 31 August 2020	100
Net book value	
At 31 August 2020	100
At 31 August 2019	100

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Hartley Boarding Halls Ltd
Registered office: 61a Brantingham Road, Whalley Range, Manchester, England, M16 8PA
Nature of business: Rental income from student accommodation

Class of share:	% holding
Equity share	100

	2020 £	2019 £
Aggregate capital and reserves	100	100
Profit for the year	-	590

The charity controls its trading subsidiary Hartley Boarding Halls Ltd (Company Number 08956450, previously known as Hartley Hall of Residence Ltd), a company registered in England and Wales, by virtue of holding 100% equity share capital.

Hartley Boarding Halls Ltd principal activity continues to be that of receiving rental income from student accommodation. Hartley Boarding Halls Ltd was set up for furthering the fundraising activities of Manchester Islamic Educational Trust Ltd (Charity) with all profits to be donated back to Charity.The charity made an application to strike the company off the register in March 2021.

13. Debtors: amounts falling due within one year

	2020 £	2019 £
Trade debtors	23,826	34,522
Other debtors	24,023	23,214
Prepayments and accrued income	3,556	7,597
	51,405	65,333

continued...

14. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	67,235	60,199
Social security and other taxes	59,889	57,877
Pension control account	6,138	6,240
Other creditors	85,368	55,487
Refundable deposits	318,726	306,629
Accruals and deferred income	7,645	8,488
	545,001	494,920

15. Movement in funds

	At 1.9.19	Net movement in funds	At 31.8.20
	£	£	£
Unrestricted funds			
Unretricted donations	3,324,529	(42,229)	3,282,300
TOTAL FUNDS	3,324,529	(42,229)	3,282,300

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
Unretricted donations	3,116,666	(3,158,895)	(42,229)
TOTAL FUNDS	3,116,666	(3,158,895)	(42,229)

Comparatives for movement in funds

	At 1.9.18	Net movement in funds	At 31.8.19
	£	£	£
Unrestricted funds			
Unretricted donations	3,568,549	(244,020)	3,324,529
TOTAL FUNDS	3,568,549	(244,020)	3,324,529

continued...

15. Movement in funds - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unretricted donations	3,121,707	(3,365,727)	(244,020)
TOTAL FUNDS	3,121,707	(3,365,727)	(244,020)

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.18 £	Net movement in funds £	At 31.8.20 £
Unrestricted funds			
Unretricted donations	3,568,549	(286,249)	3,282,300
TOTAL FUNDS	3,568,549	(286,249)	3,282,300

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unretricted donations	6,238,373	(6,524,622)	(286,249)
TOTAL FUNDS	6,238,373	(6,524,622)	(286,249)

16. Employee benefit obligations

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £34,789 (2019: £29,406).

continued...

17. Related party disclosures

During the year charity paid £8,534 (2019:£7,828) towards accountancy services to Zaheer and Co, Chartered Certified Accountants, in which Farroukh Zaheer, who is a trustee of Manchester Islamic Educational Trust Ltd, is a partner.

As at 31 August 2020, the amount owed by British Muslim Heritage Centre, a connected charity by way of common trustees was £NIL (2019: £20,000) and included within other debtors. The loan is interest free, unsecured and payable on demand. This loan has been repaid during the year.

Manchester Islamic Educational Trust Ltd owns 100% share capital of Hartley Boarding Halls Ltd. Farroukh Zaheer, Nasar Mahmood, Haytham Al-Khaffaf are directors of Hartley Boarding Halls Ltd. The charity made an application to strike the company off the register in March 2021.

18. Post balance sheet events

Since the year end, the Covid-19 pandemic has caused considerable disruption to the global economy. Notwithstanding that, Covid 19 is deemed to be a non-adjusting post balance sheet event. Having considered the impact of Covid 19 on the Charity, the trustees consider that there are no non-adjusting post balance events that require disclosure in these financial statements as a result of Covid -19.

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £	2019 £
Income and endowments		
Donations and legacies		
Donations received	18,423	121,186
Grants	245,505	-
	263,928	121,186
Charitable activities		
School fees	2,593,871	2,722,218
Rent received and hire of facilities	75,150	96,800
Books, sundry fees and miscellaneous income	183,717	181,503
	2,852,738	3,000,521
Total incoming resources	3,116,666	3,121,707
Expenditure		
Charitable activities		
Wages	2,141,229	2,194,327
Social security	158,124	174,593
Pensions	34,789	29,406
Books and resources	100,977	135,701
School trips and coach hire	113,326	86,328
Donations	2,198	8,951
Fundraising costs	-	171
	2,550,643	2,629,477
Support costs		
Management		
Rates and water	31,446	36,817
Insurance	32,955	31,531
Light and heat	66,195	68,574
Telephone	14,262	14,619
Postage and stationery	16,253	26,515
Advertising	69,492	89,748
Sundries	1,590	2,476
Canteen cost	48,031	67,787
Cleaning	66,663	88,220
Subscriptions	36,553	42,017
Staff recruitment and training	9,806	16,993
Bad debts	560	1,096
Freehold property	77,068	77,068
Carried forward	470,874	563,461

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £	2019 £
Management		
Brought forward	470,874	563,461
Fixtures and fittings	28,619	32,556
Motor vehicles	337	449
	499,830	596,466
Finance		
Bank charges	6,040	5,651
Information technology		
Repairs and renewals	60,237	73,109
Human resources		
Software licences	5,789	19,009
Other		
Motor and travel expenses	3,197	3,109
Governance costs		
Auditors' remuneration	4,680	4,680
Accountancy and legal fees	11,409	17,800
Legal fees	10,561	9,661
Consultancy fees	6,509	6,765
	33,159	38,906
Total resources expended	3,158,895	3,365,727
Net expenditure	(42,229)	(244,020)