

Markazul Uloom

Report of the Trustees and Unaudited Financial Statements

For the year ended 31 August 2020

Markazul Uloom
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For the year ended 31 August 2020

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Markazul Uloom
Report of the Trustees
For the year ended 31 August 2020

The Trustees have pleasure in presenting their report and the financial statements for 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 the Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Blackburn is a large town in Lancashire, England. It lies to the north of the West Pennine Moors on the southern edge of the Ribble Valley, 9 miles (14 km) east of Preston, 20.9 miles (34 km) NNW of Manchester and is 9 miles (14 km) north of the Greater Manchester border.

Blackburn is bounded to the south by Darwen, with which it forms the unitary authority of Blackburn with Darwen.

Markazul Uloom accepts students from the age of eleven to twenty-three, providing a secondary and FE education for younger students as well as Islamic education at an advanced level. This financial year there was 142 girls and 40 boys at the institution.

In setting our objectives, and planning our activities, we have given careful consideration to Charity Commission's guidelines on public benefit. The trust runs the Markazul Uloom, an independent education institute for boys and girls, which is registered with the Department of Education and Skills (DfES). It combines a college of Higher Islamic Education and a secondary school. It offers secondary (GCSE) as well as Higher Islamic Education and caters for the 12 to 23 age group.

Students are increasingly encouraged to pursue education at A Level and British Universities. In view of this, the institution has built effective progression opportunities to Higher Education Institutes where former students of the Institution have completed Honours, Master's and Doctorate degrees in a wide range of disciplines. The trust aims to foster an awareness within students about their surroundings and society in an environment that is both conducive to their learning and moral welfare. The institution also aims to give students a sense of citizenship and a concern for human welfare and its values multi-culturalism within society. The school timetable provides subjects reflecting Islamic and secular education. Students study General Certificate of Secondary Education (GCSE).

At the moment there are no pupils with any special needs or learning difficulties. As education providers, the trust endeavours to provide all its pupils as many opportunities to experience and equip themselves with the seven areas of learning and essentials or any well considered curriculum, linguistic, mathematical, scientific, human and social skills, aesthetic, technological and physical education. The school prides itself in being an institute that offers a comprehensive Islamic Theology Course which equips its pupils to assume scholarly roles with their communities upon its completion. The school aims to connect the curricula as much as possible within the school, such that the teaching of the secondary curriculum is not divorced from Islamic concepts rather it is enhanced by introducing Islamic concepts. The school aims to ensure that the years spent at the school, facilitate pupils to attain primarily the highest levels of spiritual, moral, cultural and Islamic awareness and, in close conjunction with this, the highest levels of physical and intellectual achievement of which they are capable.

Objectives and aims

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

ACHIEVEMENTS AND PERFORMANCE

The trustees believe that there is always room for improvement in terms of the performance /education standard of the school.

Markazul Uloom is a unique community and an environment in which pupils can learn and experience a vast array of social and academic skills in a safe and highly organised school and endeavours to make pupils schooling highly fruitful and memorable. The school day is structured such that pupils utilise their time well and in a balanced manner. We are confident once the teaching standards are improved that the education provided equips our pupils to deal with the demand of adult life in a mature and responsible manner.

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

The academic performance of the institution was fantastic this financial year with percentage range from 74% to 100%..

Markazul Uloom
Report of the Trustees Continued
For the year ended 31 August 2020

FINANCIAL REVIEW

The school's principal funding source is from school fees which amounted to £241,995 (2019: £276,696) a decrease from previous years as the school experienced COVID-19 impacts and a higher number of lower fee paying local students. The secondary source of income is from donations which amounted to £15,172 (2019: 72,451). The substantial decrease in donations is due to donor fatigue from higher previous years donations and COVID-19 impacts. The institution is actively engaging in fund raising for a proposed £3 million project to increase the school facilities. The Charity received £42,761 in government furlough and grant payments.

In terms of overheads, the current year costs are pretty consistent to last year with some expenses expected increases in line with general day to day management and minimum wage increases.

Overall there is a financial deficit of £28,345 in comparison to previous years surplus of £28,997 which in the main is an impact of reduction of school fees in the current financial year.

Reserves

It is the policy of the charity to maintain unrestricted funds at a level which equates to approximately 12 months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs. Unrestricted funds are maintained at above this level throughout the year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The trust is an unincorporated trust, constituted under a trust deed dated 5 October 2001 and is a registered charity, number 1090525.

The trust was established to promote the advancement of education and the advancement of Islamic faith particularly by establishing and operating an institution.

Recruitment and appointment of trustees

The trustees are appointed by the board of trustees. The principal for the time being of the institution if not otherwise a trustee shall be additional trustee ex-officio. The appointment of trustees is vested in the continuing trustees (excluding any retiring Trustees). The appointment of teacher's administrators and other persons required for the running of the Institution is in the hands of the principal. The trustees have responsibility for appointing a principal.

There are informal procedures for induction and training of new trustees. Trustees are also encouraged to attend external briefings and training courses.

The trustees may from time to time make such rules and regulations in their absolute discretion think fit for the management of the institution and may at any time vary such rules and regulations. At trustees meetings each term the trustee agree the area of activity for the trust, policies and performance.

REFERENCE AND ADMINISTRATIVE INFORMATION

Name of Charity	Markazul Uloom
Charity registration number	1090525
Principal address	Park Lee Road Blackburn Lancashire BB2 3NY

Trustees

The trustees and officers serving during the year and since the year end were as follows:

Mr Mohammed Hanif Amla
Mr Muhammad Bilal Bawa
Mr Muhammad Yousuf Bawa
Mr Salim H Sidat
Mr Yunus Yakub Ravat
Mr Muhammad Salman Bawa

Markazul Uloom
Report of the Trustees Continued
For the year ended 31 August 2020

Independent examiners

Adam & Co Accountants
Adamson House
251 Derby Street
Bolton
Lancashire
BL3 6LA

Bankers

Al Rayan Bank Plc
44 Hans Crescent
Knightsbridge
London
SW1X 0LZ

Approved by the Board of Trustees and signed on its behalf by

.....
Mr Muhammad Bilal Bawa

14 May 2021

Markazul Uloom
Independent Examiners Report to the Trustees
For the year ended 31 August 2020

I report to the trustees on my examination of the accounts of the charity for the year ended 31 August 2020.

Responsibilities and basis of report

As the charity trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiners statement

Since the Charity's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination by virtue of my membership of , which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Adam & Co Accountants

Adamson House
251 Derby Street
Bolton
Lancashire
BL3 6LA

14 May 2021

Markazul Uloom
Statement of Financial Activities
For the year ended 31 August 2020

	Notes	Unrestricted funds £	2019 £
Income and endowments from:			
Donations and legacies	2	15,172	72,451
Charitable activities	3	256,164	292,181
Investments	4	6,029	6,281
Other income	5	42,761	-
Total		320,126	370,913
Expenditure on:			
Raising funds	6	(345,481)	(339,287)
Charitable activities	7/8	(2,986)	(2,629)
Total		(348,467)	(341,916)
Net income/expenditure		(28,341)	28,997
Reconciliation of funds			
Total funds brought forward		1,967,071	1,938,074
Total funds carried forward		1,938,730	1,967,071

Markazul Uloom
Statement of Financial Position
As at 31 August 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	13	1,857,425	1,805,714
		1,857,425	1,805,714
Current assets			
Debtors	14	14,253	13,244
Cash at bank and in hand		565,829	651,925
		580,082	665,169
Creditors: amounts falling due within one year	15	(54,900)	(44,927)
Net current assets		525,182	620,242
Total assets less current liabilities		2,382,607	2,425,956
Creditors: amounts falling due after more than one year	16	(443,885)	(458,885)
Net assets		1,938,722	1,967,071
The funds of the charity			
Unrestricted income funds	17	1,938,730	1,967,071
Total funds		1,938,730	1,967,071

The financial statements were approved and authorised for issue by the Board and signed on its behalf by:

.....
Mr Muhammad Bilal Bawa
Trustee
14 May 2021

Markazul Uloom
Notes to the Financial Statements
For the year ended 31 August 2020

1. Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets and 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 (FRS 102), and the Charities Act 2011.

Markazul Uloom meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Tangible fixed assets

Tangible fixed assets, other than freehold land, are stated at cost or valuation less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Land and buildings	40% Straight line
Plant and machinery	15% Reducing balance
Motor vehicles	15% Reducing balance

2. Income from donations and legacies

	2020 £	2019 £
Unrestricted funds		
Donations received	15,172	72,451
	15,172	72,451

3. Income from charitable activities

	2020 £	2019 £
Unrestricted funds		
<i>Charitable Activity 1</i>		
School Fees	241,995	276,696
Other Income	14,169	15,485
	256,164	292,181
	256,164	292,181

Markazul Uloom
Notes to the Financial Statements Continued
For the year ended 31 August 2020

4. Investment income

	2020	2019
	£	£
Unrestricted funds		
Income from investment properties	6,029	6,281
	6,029	6,281

5. Other income

	2020	2019
	£	£
Unrestricted funds		
Other income 1	42,761	-
	42,761	-

6. Expenditure on generating donations and legacies

	2020	2019
	£	£
Unrestricted funds		
Support costs	345,481	339,287
	345,481	339,287

7. Costs of charitable activities by fund type

	2020	2019
	£	£
Unrestricted funds		
Support costs	2,986	2,629

8. Costs of charitable activities by activity type

	2020	2019
	£	£
Charitable Activity 1	2,986	2,629

Markazul Uloom
Notes to the Financial Statements Continued
For the year ended 31 August 2020

9. Analysis of support costs

	2020	2019
	£	£
Voluntary Income		
Staff Wages	242,676	245,625
Premises Cost	48,802	47,732
Computer Cost	5,347	2,684
Telephone	1,933	1,312
Postage and Stationery	6,307	5,612
Books & School Trips	16,076	10,948
Repairs	661	654
Canteen	199	353
Cleaning	1,158	1,736
Governance costs	25,308	25,260
	348,467	341,916

10. Net income/(expenditure) for the year

This is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of owned fixed assets	22,322	22,631

11. Staff costs

Total staff costs for the year ended 31 August 2020 were:

	2020	2019
	£	£
Salaries and wages	254,722	245,431
Social security costs	(12,046)	194
	242,676	245,625

	2020	2019
Admin Staff	5	4
Maintenance Staff	1	1
School Staff	50	53
	56	58

Markazul Uloom
Notes to the Financial Statements Continued
For the year ended 31 August 2020

12. Comparative for the Statement of Financial Activities

The comparative year values on the Statement of Financial Activities are for unrestricted funds.

13. Tangible fixed assets

Cost or valuation	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Total £
At 01 September 2019	1,983,572	65,675	230,930	2,280,177
Additions	73,954	80	-	74,034
At 31 August 2020	2,057,526	65,755	230,930	2,354,211
Depreciation				
At 01 September 2019	216,606	52,683	205,174	474,463
Charge for year	16,502	1,957	3,863	22,322
At 31 August 2020	233,108	54,640	209,038	496,786
Net book values				
At 31 August 2020	1,824,418	11,115	21,892	1,857,425
At 31 August 2019	1,766,966	12,992	25,755	1,805,714

14. Debtors

	2020 £	2019 £
Amounts due within one year:		
Prepayments and accrued income	5,678	9,118
Other debtors	8,575	4,126
	14,253	13,244

15. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	57,653	51,102
Other creditors	(2,753)	(6,175)
	54,900	44,927

Markazul Uloom
Notes to the Financial Statements Continued
For the year ended 31 August 2020

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

	2020	2019
	£	£
Other creditors	443,885	458,885
	443,885	458,885

17. Movement in funds

Unrestricted Funds

	Balance at 01/09/2019	Incoming resources	Outgoing resources	Balance at 31/08/2020
	£	£	£	£
<i>General</i>				
General	1,967,071	320,126	(348,467)	1,938,730
	1,967,071	320,126	(348,467)	1,938,730

Unrestricted Funds - Previous year

	Balance at 01/09/2018	Incoming resources	Outgoing resources	Balance at 31/08/2019
	£	£	£	£
<i>General</i>				
General	1,938,074	370,913	(341,916)	1,967,071
	1,938,074	370,913	(341,916)	1,967,071

Purpose of unrestricted Funds

General

It provides the resources necessary to sustain the day-to-day activities and thus pays for all administrative and operating expenses.

18. Analysis of net assets between funds

	Tangible fixed assets	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£
Unrestricted funds				
<i>General</i>				
General	1,857,425	525,182	(443,885)	1,938,722
	1,857,425	525,182	(443,885)	1,938,722

Markazul Uloom
Notes to the Financial Statements Continued
For the year ended 31 August 2020

Previous year

	Tangible fixed assets	Net current assets / (liabilities)	Creditors > one year	Net Assets
	£	£	£	£
Unrestricted funds				
<i>General</i>				
General	1,805,714	620,242	(458,885)	1,967,071
	1,805,714	620,242	(458,885)	1,967,071

Markazul Uloom
Detailed Statement of Financial Activities
For the year ended 31 August 2020

	2020 £	2019 £
INCOME AND ENDOWMENT		
Donations and legacies		
Donations	15,172	72,451
	15,172	72,451
Charitable activities		
School Fees	241,995	276,696
Other Income	14,169	15,485
	256,164	292,181
Investments		
Investment Income - Al Rayyan	6,029	6,281
	6,029	6,281
Other income		
Government Grant	42,761	-
	42,761	-
Total incoming resources	320,126	370,913
SUPPORT COSTS		
Staff Wages		
Staff costs - wages & salaries	(254,722)	(245,431)
Staff costs - social security costs	12,046	(194)
	(242,676)	(245,625)
Premises Cost		
Rates & Water	(9,557)	(7,664)
Insurance	(2,581)	(2,619)
Light and Heat	(36,664)	(37,449)
	(48,802)	(47,732)
Computer Cost		
Computer Cost	(5,347)	(2,684)
	(5,347)	(2,684)
Telephone		
Telephone	(1,933)	(1,312)
	(1,933)	(1,312)
Postage and Stationery		
Postage and Stationery	(6,307)	(5,612)
	(6,307)	(5,612)
Books & School Trips		
Books & School Trips	(16,076)	(10,948)
	(16,076)	(10,948)
Repairs		
Repairs	(661)	(654)
	(661)	(654)

Markazul Uloom
Detailed Statement of Financial Activities Continued
For the year ended 31 August 2020

Canteen		
Canteen	(199)	(353)
	(199)	(353)
Cleaning		
Cleaning	(1,158)	(1,736)
	(1,158)	(1,736)
Governance costs		
Depreciation of owned assets	(22,322)	(22,631)
Legal fees	(2,986)	(2,629)
	(25,308)	(25,260)
Total resources expended	(348,467)	(341,916)
Net Expenditure	(28,341)	28,997