

Markazul Uloom

Report of the Trustees and Unaudited Financial Statements

For the year ended 31 August 2021

Markazul Uloom  
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For the year ended 31 August 2021

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Markazul Uloom  
Report of the Trustees  
For the year ended 31 August 2021

The Trustees have pleasure in presenting their report and the financial statements for the charity for the year ended 31 August 2021. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and 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.

Markazul Uloom  
Report of the Trustees Continued  
For the year ended 31 August 2021

## **FINANCIAL REVIEW**

The school's principal funding source is from school fees which amounted to £275,166 (2020: £241,995) an increase/recovery from previous years COVID-19 decline.

The secondary source of income is from donations which amounted to £22,252 (2020: 15,172). A slight increase from previous financial year but still below levels expected by the trustees and achieved in historical years. The trustees due to the COVID-19 impacts on local communities have not actively engaged in fund raising but this is something being considered in the coming years.

The institution is still actively engaging in fund raising for the current work in progress £3 million project to increase the school facilities. The Charity received £25,059 in government furlough and grant payments in comparison to previous financial year of £42,761.

In terms of overheads, the current year costs are pretty consistent to last year.

Overall there is a small financial deficit of £1,070 in comparison to previous years deficit of £28,345, a substantial reduction in the main due to the increase 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**

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

Markazul Uloom  
Report of the Trustees Continued  
For the year ended 31 August 2021

**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

**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

09 February 2022

Markazul Uloom  
Independent Examiners Report to the Trustees  
For the year ended 31 August 2021

I report to the trustees on my examination of the accounts of the charity for the year ended 31 August 2021.

**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.

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Adam & Co Accountants

Adamson House  
251 Derby Street  
Bolton  
Lancashire  
BL3 6LA

09 February 2022

Markazul Uloom  
Statement of Financial Activities  
For the year ended 31 August 2021

	Notes	Unrestricted funds £	2020 £
<b>Income and endowments from:</b>			
Donations and legacies	2	22,252	15,172
Charitable activities	3	280,146	256,164
Investments	4	4,878	6,029
Other income	5	25,059	42,761
<b>Total</b>		<b>332,335</b>	<b>320,126</b>
<b>Expenditure on:</b>			
Raising funds	6	(329,507)	(345,481)
Charitable activities	7/8	(3,900)	(2,986)
<b>Total</b>		<b>(333,407)</b>	<b>(348,467)</b>
<b>Net expenditure</b>		<b>(1,072)</b>	<b>(28,341)</b>
<b>Reconciliation of funds</b>			
Total funds brought forward		1,938,726	1,967,071
<b>Total funds carried forward</b>		<b>1,937,654</b>	<b>1,938,730</b>

Markazul Uloom  
Statement of Financial Position  
As at 31 August 2021

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	1,908,458	1,857,425
		<b>1,908,458</b>	<b>1,857,425</b>
<b>Current assets</b>			
Debtors	14	11,230	14,253
Cash at bank and in hand		503,316	565,829
		<b>514,546</b>	<b>580,082</b>
<b>Creditors: amounts falling due within one year</b>	15	(67,362)	(54,900)
<b>Net current assets</b>		<b>447,184</b>	<b>525,182</b>
<b>Total assets less current liabilities</b>		<b>2,355,642</b>	<b>2,382,607</b>
<b>Creditors: amounts falling due after more than one year</b>	16	(417,985)	(443,885)
<b>Net assets</b>		<b>1,937,657</b>	<b>1,938,722</b>
<b>The funds of the charity</b>			
Unrestricted income funds	17	1,937,654	1,938,730
<b>Total funds</b>		<b>1,937,654</b>	<b>1,938,730</b>

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

.....  
Mr Muhammad Bilal Bawa  
Trustee  
09 February 2022



Markazul Uloom  
Notes to the Financial Statements  
For the year ended 31 August 2021

## 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).

### Going concern

### 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

	2021	2020
	£	£
<b>Unrestricted funds</b>		
Donations received	22,252	15,172
	<b>22,252</b>	<b>15,172</b>

## 3. Income from charitable activities

	2021	2020
	£	£
<b>Unrestricted funds</b>		
<i>Charitable Activity 1</i>		
School Fees	275,166	241,995
Other Income	4,980	14,169
	<b>280,146</b>	<b>256,164</b>
	<b>280,146</b>	<b>256,164</b>

Markazul Uloom  
Notes to the Financial Statements Continued  
For the year ended 31 August 2021

**4. Investment income**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>		
Other investment income	4,878	6,029
	<b>4,878</b>	<b>6,029</b>

**5. Other income**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>		
Other income 1	25,059	42,761
	<b>25,059</b>	<b>42,761</b>

**6. Expenditure on generating donations and legacies**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>		
Support costs	329,507	345,481
	<b>329,507</b>	<b>345,481</b>

**7. Costs of charitable activities by fund type**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>		
Support costs	3,900	2,986

**8. Costs of charitable activities by activity type**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Charitable Activity 1	3,900	2,986

Markazul Uloom  
Notes to the Financial Statements Continued  
For the year ended 31 August 2021

**9. Analysis of support costs**

	<b>2021</b>	<b>2020</b>
	£	£
<b>Voluntary Income</b>		
Staff Wages	227,424	242,676
Premises Cost	48,436	48,802
Computer Cost	2,490	5,347
Telephone	1,857	1,933
Postage and Stationery	6,474	6,307
Books & School Trips	13,970	16,076
Repairs	3,777	661
Canteen	134	199
Cleaning	2,625	1,158
Governance costs	26,220	25,308
	<b>333,407</b>	<b>348,467</b>

**10. Net income/(expenditure) for the year**

This is stated after charging/(crediting):

	<b>2021</b>	<b>2020</b>
	£	£
Depreciation of owned fixed assets	22,320	22,322

**11. Staff costs**

Total staff costs for the year ended 31 August 2021 were:

	<b>2021</b>	<b>2020</b>
	£	£
Salaries and wages	243,415	254,722
Social security costs	(15,991)	(12,046)
	<b>227,423</b>	<b>242,676</b>

	<b>2021</b>	<b>2020</b>
	£	£
Admin Staff	5	5
Maintenance Staff	1	1
School Staff	46	50
	<b>52</b>	<b>56</b>

Markazul Uloom  
Notes to the Financial Statements Continued  
For the year ended 31 August 2021

**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**

<b>Cost or valuation</b>	<b>Land and buildings £</b>	<b>Plant and machinery £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
At 01 September 2020	2,057,526	65,755	230,930	2,354,211
Additions	70,604	2,748	-	73,352
At 31 August 2021	<b>2,128,130</b>	<b>68,503</b>	<b>230,930</b>	<b>2,427,563</b>
<b>Depreciation</b>				
At 01 September 2020	233,108	54,640	209,038	496,786
Charge for year	17,025	2,011	3,284	22,320
At 31 August 2021	<b>250,133</b>	<b>56,651</b>	<b>212,321</b>	<b>519,105</b>
<b>Net book values</b>				
At 31 August 2021	<b>1,877,997</b>	<b>11,852</b>	<b>18,608</b>	<b>1,908,457</b>
At 31 August 2020	<b>1,824,418</b>	<b>11,115</b>	<b>21,892</b>	<b>1,857,425</b>

**14. Debtors**

	<b>2021 £</b>	<b>2020 £</b>
<b>Amounts due within one year:</b>		
Prepayments and accrued income	5,955	5,678
Other debtors	5,275	8,575
	<b>11,230</b>	<b>14,253</b>

**15. Creditors: amounts falling due within one year**

	<b>2021 £</b>	<b>2020 £</b>
Trade creditors	67,926	57,653
Other creditors	(564)	(2,753)
	<b>67,362</b>	<b>54,900</b>

Markazul Uloom  
Notes to the Financial Statements Continued  
For the year ended 31 August 2021

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

	2021 £	2020 £
Other creditors	417,985	443,885
	<b>417,985</b>	<b>443,885</b>

**17. Movement in funds**

**Unrestricted Funds**

	Balance at 01/09/2020 £	Incoming resources £	Outgoing resources £	Balance at 31/08/2021 £
<i>General</i>				
General	1,938,726	332,335	(333,407)	1,937,654
	<b>1,938,726</b>	<b>332,335</b>	<b>(333,407)</b>	<b>1,937,654</b>

**Unrestricted Funds - Previous year**

	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
	<b>1,967,071</b>	<b>320,126</b>	<b>(348,467)</b>	<b>1,938,730</b>

**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 £
<b>Unrestricted funds</b>				
<i>General</i>				
General	1,908,458	447,184	(417,985)	1,937,657
	<b>1,908,458</b>	<b>447,184</b>	<b>(417,985)</b>	<b>1,937,657</b>

Markazul Uloom  
Notes to the Financial Statements Continued  
For the year ended 31 August 2021

**Previous year**

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

Markazul Uloom  
Detailed Statement of Financial Activities  
For the year ended 31 August 2021

	2021 £	2020 £
<b>INCOME AND ENDOWMENT</b>		
<b>Donations and legacies</b>		
Donations	22,252	15,172
	<b>22,252</b>	<b>15,172</b>
<b>Charitable activities</b>		
School Fees	275,166	241,995
Other Income	4,980	14,169
	<b>280,146</b>	<b>256,164</b>
<b>Investments</b>		
Other investment income	4,878	6,029
	<b>4,878</b>	<b>6,029</b>
<b>Other income</b>		
Government Grant	25,059	42,761
	<b>25,059</b>	<b>42,761</b>
<b>Total incoming resources</b>	<b>332,335</b>	<b>320,126</b>
<b>SUPPORT COSTS</b>		
<b>Staff Wages</b>		
Staff costs - wages & salaries	(243,415)	(254,722)
Staff costs - social security costs	15,991	12,046
	<b>(227,424)</b>	<b>(242,676)</b>
<b>Premises Cost</b>		
Rates & Water	(9,534)	(9,557)
Insurance	(2,608)	(2,581)
Light and Heat	(36,294)	(36,664)
	<b>(48,436)</b>	<b>(48,802)</b>
<b>Computer Cost</b>		
Computer Cost	(2,490)	(5,347)
	<b>(2,490)</b>	<b>(5,347)</b>
<b>Telephone</b>		
Telephone	(1,857)	(1,933)
	<b>(1,857)</b>	<b>(1,933)</b>
<b>Postage and Stationery</b>		
Postage and Stationery	(6,474)	(6,307)
	<b>(6,474)</b>	<b>(6,307)</b>
<b>Books &amp; School Trips</b>		
Books & School Trips	(13,970)	(16,076)
	<b>(13,970)</b>	<b>(16,076)</b>
<b>Repairs</b>		
Repairs	(3,777)	(661)
	<b>(3,777)</b>	<b>(661)</b>

Markazul Uloom  
Detailed Statement of Financial Activities Continued  
For the year ended 31 August 2021

<b>Canteen</b>		
Canteen	(134)	(199)
	<b>(134)</b>	<b>(199)</b>
<b>Cleaning</b>		
Cleaning	(2,625)	(1,158)
	<b>(2,625)</b>	<b>(1,158)</b>
<b>Governance costs</b>		
Depreciation of owned assets	(22,320)	(22,322)
Legal fees	(3,900)	(2,986)
	<b>(26,220)</b>	<b>(25,308)</b>
<b>Total resources expended</b>	<b>(333,407)</b>	<b>(348,467)</b>
<b>Net Expenditure</b>	<b>(1,072)</b>	<b>(28,341)</b>