

ZNANIYE FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

ZNANIYE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

| | |
|-----------------------------|---|
| Trustees | Ms Aina Mamaeva Ms G Kansadieva Ms A Bastrakova Ms S Page Mr Z Islam Ms S Hill |
| Charity number | 1101796 |
| Principal address | 52 Mayfield Gardens Ealing London United Kingdom W7 3RH |
| Independent examiner | Reddy Siddiqui LLP 183-189 The Vale Acton London United Kingdom W3 7RW |

ZNANIYE FOUNDATION

CONTENTS

| | Page |
|-----------------------------------|-------------|
| Trustees' report | 1 - 3 |
| Independent examiner's report | 4 |
| Statement of financial activities | 5 |
| Balance sheet | 6 |
| Notes to the financial statements | 7 - 13 |

ZNANIYE FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

One of our principal aims is to assist children and young people from BME Migrant families, living in income and socially deprived areas of London to break the language, income and social deprivation barriers, foster a sense of inclusion and develop the necessary self confidence to grow into responsible adults in a diverse society. We offer a range of social services, as well as educational and recreational activities, including social performances, and hands on training, through which we promote community cohesion, inculcate life skills and self confidence into children and young people, as well as providing social and employment information and parenting support and training to adults. Znaniye Foundation delivers services, a wide range of projects and educational programmes to children, youth and families in the various boroughs of London. We recognise the importance of supporting these children and young people to reach their potential, to encourage their self-expression, and to build social interaction and community integration in safe, friendly and stimulating environments.

Public benefit

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Significant activities and achievements against objectives

Znaniye Foundation has continued to work with a vast community of children and youth seeking support, and is proud to have initiated various new programmes in order to fulfil this goal. Znaniye Foundation has continued to ensure that children aged 3-18, primarily from low-income backgrounds, all gender groups, minority ethnic groups, and special needs children, their families, and communities have been able to join accessible opportunities that promote their continued development and wellbeing, both educationally and personally.

Znaniye Foundation has worked to foster new relationships and partnerships with local schools and organisations in order to ensure more children, young people and their families in need are able access a greater level of continued support.

The charity is very proud to continue to have offered safe, friendly and stimulating atmospheres, where children, young people and adults are able to engage in various projects and expand their possibilities and prospects. All our work has always been with the intention of benefiting the wider community and advocating integration to bring together as many people in the community as possible. We have focused heavily increasing opportunities for young people, expanding their

Initiatives this year have included weekly weekend programmes involving core subject educational support, arts and crafts and cultural awareness, an increased number of Holiday Camps offering physical and emotional wellbeing support and meals, and mentoring programmes focused on students in secondary education.

We have continued to see the after-effects of Covid-19 particularly in increased demand for services and support, and we have continued to work to ensure we are able to meet this need by expanding existing provisions and launching new programmes.

Financial review

The Trustees carefully monitor all fund raising and expenditure to ensure that the Charity complies with the requirements of its donors. With the aid of sound financial management the charity has achieved a satisfactory outcome for the year, with sufficient resources to continue its normal activities in the forthcoming year.

ZNANIYE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Major risks

The Trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Management Committee has conducted a review of the major risks to which the charity is exposed to and continues to monitor this on an ongoing basis. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. These procedures are periodically reviews to ensure that they continue to meet the needs of the charity.

Plans for future periods

As we forge ahead in our mission to support children and young people in and around London, we remain committed to actively listening to our service users and community. This ongoing engagement ensures that our projects, educational programmes, and support services directly address the evolving needs of the individuals and families we serve. Through our continued research, we aim to provide practical advice, offering valuable resources for navigating life's challenges. Simultaneously, we're dedicated to creating volunteering and work opportunities that empower individuals, contributing to personal and professional growth. Our holistic approach seeks to not only alleviate the immediate effects of poverty and inequality but also foster a sense of belonging and promote positive change in lives and communities.

Structure, governance and management

The Trustees who served during the year and up to the date of signature of the financial statements were:

Ms Aina Mamaeva
Ms G Kansadieva
Ms A Bastrakova
Ms S Page
Mr Z Islam
Ms S Hill

Recruitment and appointment of trustees

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Organisational structure

Znaniye Foundation has a Management Committee of 5 trustees who meet regularly and are responsible for the strategic direction and policy of the charity.

ZNANIYE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Relationship with related parties

In the spirit of transparency and adherence to good governance practices, we wish to acknowledge the presence of related party transactions within our charitable organisation. Our charity, deeply rooted in community engagement and driven by multi-generational involvement, includes key individuals who share familial ties. Notably, A Mamaeva and Patima Shareefy are engaged in a mother-daughter relationship, mirroring the similar familial bond between Evie Hill and S Hill. It is pertinent to mention that A Mamaeva and S Hill hold positions as trustees of our charity. Concurrently, Patima Shareefy and Evie Hill contribute to our mission not only as part-time employees but also as dedicated volunteers. This disclosure is made in the interest of maintaining the highest standards of integrity and transparency in our operations and governance.

The Trustees' report was approved by the Board of Trustees.

Ms Aina Mamaeva
Trustee

Ms G Kansadieva
Trustee

25 January 2024

ZNANIYE FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ZNANIYE FOUNDATION

I report to the Trustees on my examination of the financial statements of Znaniye Foundation (the charity) for the year ended 31 March 2023.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.

Reddy Siddiqui LLP

183-189 The Vale
Acton
London
W3 7RW
United Kingdom

Dated: 25 January 2024

ZNANIYE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

| | | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|---|-------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| | Notes | | | | | | |
| Income and endowments from: | | | | | | | |
| Donations and legacies | 3 | 3,297 | 48,420 | 51,717 | 4,126 | 63,562 | 67,688 |
| Other income | 4 | 18 | - | 18 | - | - | - |
| Total income | | <u>3,315</u> | <u>48,420</u> | <u>51,735</u> | <u>4,126</u> | <u>63,562</u> | <u>67,688</u> |
| Expenditure on: | | | | | | | |
| Raising funds | 5 | 612 | - | 612 | 1,200 | - | 1,200 |
| Charitable activities | 6 | 3,524 | 40,434 | 43,958 | 2,860 | 40,767 | 43,627 |
| Total expenditure | | <u>4,136</u> | <u>40,434</u> | <u>44,570</u> | <u>4,060</u> | <u>40,767</u> | <u>44,827</u> |
| Net income/(expenditure) and movement in funds | | (821) | 7,986 | 7,165 | 66 | 22,795 | 22,861 |
| Reconciliation of funds: | | | | | | | |
| Fund balances at 1 April 2022 | | 9,472 | 27,077 | 36,549 | 9,406 | 4,282 | 13,688 |
| Fund balances at 31 March 2023 | | <u>8,651</u> | <u>35,063</u> | <u>43,714</u> | <u>9,472</u> | <u>27,077</u> | <u>36,549</u> |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

ZNANIYE FOUNDATION

BALANCE SHEET

AS AT 31 MARCH 2023

| | Notes | 2023 £ | £ | 2022 £ | £ |
|---|-------|-----------|--------|-----------|--------|
| Fixed assets | | | | | |
| Tangible assets | 11 | | 908 | | 1,210 |
| Current assets | | | | | |
| Cash at bank and in hand | | 44,186 | | 35,909 | |
| Creditors: amounts falling due within one year | 12 | 1,380 | | 570 | |
| Net current assets | | | 42,806 | | 35,339 |
| Total assets less current liabilities | | | 43,714 | | 36,549 |
| The funds of the charity | | | | | |
| Restricted income funds | 13 | | 35,063 | | 27,077 |
| Unrestricted funds | | | 8,651 | | 9,472 |
| | | | 43,714 | | 36,549 |

The financial statements were approved by the Trustees on 25 January 2024

Ms Aina Mamaeva
Trustee

ZNANIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Znaniye Foundation was registered as a charity on 18th January 2003 and is governed by its amended constitution dated 2nd October 2010 and subsequently on 3rd September 2019.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

ZNANIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised when resources are expended. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers

Enter depreciation rate via StatDB - cd198

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

ZNANIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

| | Unrestricted funds 2023 £ | Restricted funds 2023 £ | Total 2023 £ | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|---------------------|------------------------------------|----------------------------------|--------------------|------------------------------------|----------------------------------|--------------------|
| Donations and gifts | 3,297 | 48,420 | 51,717 | 4,126 | 63,562 | 67,688 |

4 Other income

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|--------------|------------------------------------|------------------------------------|
| Other income | 18 | - |

5 Expenditure on raising funds

| | Unrestricted funds 2023 £ | Unrestricted funds 2022 £ |
|----------------------------------|------------------------------------|------------------------------------|
| Fundraising and publicity | | |
| Support costs | 612 | 1,200 |

ZNANIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

6 Expenditure on charitable activities

| | Charitable Activities 2023 £ | Charitable Activities 2022 £ |
|---|---------------------------------------|---------------------------------------|
| Direct costs | | |
| Depreciation and impairment | 303 | 404 |
| Share of support and governance costs (see note 7) | | |
| Support | 42,845 | 42,653 |
| Governance | 810 | 570 |
| | <u>43,958</u> | <u>43,627</u> |
| Analysis by fund | | |
| Unrestricted funds | 3,524 | 2,860 |
| Restricted funds | 40,434 | 40,767 |
| | <u>43,958</u> | <u>43,627</u> |

7 Support costs allocated to activities

| | 2023 £ | 2022 £ |
|--------------------------|---------------|---------------|
| | 43,457 | 43,853 |
| Governance costs | 810 | 570 |
| | <u>44,267</u> | <u>44,423</u> |
| Analysed between: | | |
| Fundraising | 612 | 1,200 |
| Charitable Activities | 43,655 | 43,223 |
| | <u>44,267</u> | <u>44,423</u> |

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

| | 2023 Number | 2022 Number |
|-------|----------------|----------------|
| Total | - | - |

ZNANIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9 Employees

(Continued)

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Tangible fixed assets

| | Computers £ |
|------------------------------------|----------------|
| Cost | |
| At 1 April 2022 | 1,615 |
| At 31 March 2023 | 1,615 |
| Depreciation and impairment | |
| At 1 April 2022 | 404 |
| Depreciation charged in the year | 303 |
| At 31 March 2023 | 707 |
| Carrying amount | |
| At 31 March 2023 | 908 |
| At 31 March 2022 | 1,210 |

Investment properties rented to another group entity have been accounted for using the cost model. The carrying value of these investment properties included within tangible fixed assets is £XXXX (2022 - £XXXX).

12 Creditors: amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------|-----------|-----------|
| Accruals and deferred income | 1,380 | 570 |

13 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

| At 1 April 2022 £ | Incoming resources £ | Resources expended £ | At 31 March 2023 £ |
|-------------------------|----------------------------|----------------------------|--------------------------|
| 27,077 | 48,420 | (40,434) | 35,063 |

ZNANIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13 Restricted funds

(Continued)

| Previous year: | At 1 April 2021 | Incoming resources | Resources expended | At 31 March 2022 |
|----------------|--------------------|-----------------------|-----------------------|---------------------|
| | £ | £ | £ | £ |
| | 4,282 | 63,562 | (40,767) | 27,077 |

14 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

| | At 1 April 2022 | Incoming resources | Resources expended | At 31 March 2023 |
|---------------|--------------------|-----------------------|-----------------------|---------------------|
| | £ | £ | £ | £ |
| General funds | 9,472 | 3,315 | (4,136) | 8,651 |

| Previous year: | At 1 April 2021 | Incoming resources | Resources expended | At 31 March 2022 |
|----------------|--------------------|-----------------------|-----------------------|---------------------|
| | £ | £ | £ | £ |
| General funds | 9,406 | 4,126 | (4,060) | 9,472 |

15 Analysis of net assets between funds

| | Unrestricted funds 2023 | Restricted funds 2023 | Total 2023 |
|---|-------------------------------|-----------------------------|---------------|
| | £ | £ | £ |
| Fund balances at 31 March 2023 are represented by: | | | |
| Tangible assets | 908 | - | 908 |
| Current assets/(liabilities) | 7,743 | 35,063 | 42,806 |
| | 8,651 | 35,063 | 43,714 |

| | Unrestricted funds 2022 | Restricted funds 2022 | Total 2022 |
|---|-------------------------------|-----------------------------|---------------|
| | £ | £ | £ |
| Fund balances at 31 March 2022 are represented by: | | | |
| Tangible assets | 1,210 | - | 1,210 |
| Current assets/(liabilities) | 8,262 | 27,077 | 35,339 |
| | 9,472 | 27,077 | 36,549 |

ZNANIYE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 MARCH 2023***

16 Related party transactions

During the year few trustees were paid fees for additional services they provide to the charity over and above normal trustee duties.