

**DARUL ULOOM DAWATUL IMAAN
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

Charity Registration Number: 1124091

Company Registration Number: 6421563

DARUL ULOOM DAWATUL IMAAN
Charity Information

Charity No. 1124091
Company No. 6421563

Trustees/Directors:	Vashiullah Bodiya Omar Rashid Kholwadia Umar Kika	
Company Secretary:	Vashiullah Bodiya	
School Director:	Omar Rashid Kholwadia	
School Head Teacher:	Abdurrahman Kayat	
Head of Islamic Studies:	Hasib Mayet	
Curriculum Lead:	Shoaib Patel	
Head of Board and Welfare:	Bilal Sheikh	
Charity Registration Number:	1124091	
Company Registration Number:	6421563	
Date of incorporation:	8th November 2007	
Charity Office/Registered Office:	Harry Street Off Wakefield Road Bradford West Yorkshire BD4 9PH	
Website:	www.dawatulimaan.org.uk	
Accountants:	Forrest Burlinson Chartered Accountants & Registered Auditor 20 Owl Lane Dewsbury WF12 7RQ	
Independent Examiner:	E Suleman	
Bankers:	HSBC Plc PO Box 45 47 Market Street Bradford West Yorkshire BD1 1LW	Barclays Bank Plc Market Place Dewsbury West Yorkshire WF13 1PS
Solicitors:	Khan & Co Solicitors 47 Cape Hill Smethwick, Birmingham B66 4SF	

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The trustees are pleased to present their annual directors report and financial statements for the period ended 31 August 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the charity's trust deed, the Charities Act 2011, the Companies Act 2006, 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 2015).

Objects and policies

The object of the charity is to advance the education of the public, including education in the Islāmic religion and such other courses for the benefit of the community as the trustees shall think fit.

To advance the Islāmic religion for the benefit of the public and to promote such other charitable purposes as the trustees may from time to time determine.

The principal work of the charity is to educate students who will graduate as well educated Muslim Scholars, Imāms and guides with knowledge, appreciation, awareness and understanding of Islām's emphasis on mutual respect, social harmony, peace, tolerance, dignity and chivalry.

The ethos of Islāmic Knowledge and our institute is to make ourselves and our students aware of man's obligations towards their Creator, parents, spouse, relatives, neighbours, friends, teachers, juniors, fellow citizens, society and ourselves.

Structure, governance and management

The charity is a company limited by guarantee and not having a share capital is governed by its Memorandum and Articles of Association.

The directors of the company are its trustees for the purpose of charity law and throughout this report are referred to as the trustees. The trustees as Charity Trustees have control of the company and its property and funds.

The company was incorporated on 8th November 2007.

The company was registered as a charity on 16th May 2008.

The trustees named on the front sheet have served throughout the period.

Each member undertakes to contribute to the assets of the company in the event of the company being wound up to a limit not exceeding £10 (ten pounds).

The trustees agree the broad strategy and areas of activity of the company in accordance with the Articles of Association and the charitable objects set out above.

On a day to day basis the senior management team and the School Director who are answerable to the Board of Trustees run the Darul Uloom.

Policies and procedures adopted for the induction and training of trustees

The company recognises that it has a responsibility to provide guidance and assist new trustees in fulfilling their duties and responsibilities. This is done in accordance with Charity Commission guidance. New trustees are given appropriate Charity Commission publications.

Achievements and performance

The 2024/25 academic year has been both productive and challenging, reflecting wider trends across the education sector. The Institute has continued to deliver high-quality educational and boarding provision while adapting to evolving demands and maintaining its commitment to student development.

These improvements aim to provide a more comprehensive and modern learning environment. The project will require significant financial investment, and the Trustees, together with school leadership, are actively working to secure the necessary funding.

Future Plans

The Institute's medium and long-term objective is to maintain and further enhance the quality of education provided, with particular attention to the individual needs of each student.

Key priorities include:

Continued development of systems for monitoring and tracking academic progress,
Strengthening pastoral care and student wellbeing provision,
Building partnerships with external organisations to support both education and welfare,
Establishing links with other boarding schools to share best practice.

The Trustees remain committed to continuous improvement across all areas of the Institute's work

The Trustees also acknowledge with gratitude the ongoing support of staff, volunteers and donors. Their contributions have been essential to the progress achieved during the year. Continued support will be vital in sustaining and developing the Institute's work in the future.

Financial review

During the financial year the charity reported a deficit resulting in negative unrestricted reserves at the year end . The Trustees have reviewed the financial position and are taking steps, including cost controls, income -generating initiatives, and strengthened financial oversight. The Trustees are confident that these measures provide a reasonable expectation that the charity will continue to operate as a going concern for at least 12 months from the date of approval of these financial statements. This position arose primarily due to operational costs and expenditure on development projects exceeding income.

In addition , the introduction of Value Added Tax (VAT) has created further financial pressure on the organisation. This has presented an additional challenge in maintaining a balanced financial position.

The deficit has been supported through interest-free loans and donations from members of the community and supporters of the Institute.

The Trustees are actively seeking to strengthen the charity's financial position by:

Securing additional funding sources,
Increasing fundraising activities,
Managing costs effectively.

Planning for the repayment of existing loans associated with development projects at the same time , the charity remains committed to providing education at a subsidised level to ensure accessibility for students.

The Trustees continue to monitor financial performance closely and are taking appropriate steps to ensure the long-term sustainability of the organisation, in line with expectations set by the Charity Commission for England and Wales.

Conclusion

The Trustees believe that the Institute has made solid progress over the past year across educational provision, student development and community engagement. While challenges remain, particularly in relation to financial sustainability and planned expansion, the foundations for continued growth and improvement are in place.

The Trustees remain committed to delivering high standards of education and supporting students in becoming responsible and positive contributors to society.

Risk management

The trustees actively assess the major risks to which the charity is exposed through regular meetings and believe that increasing reserves , combined with an annual review of controls over key

I report to the charity trustees on my examination of the accounts for the company for the year ended 31 August 2025.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of your charity's accounts as carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company'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 because I am a qualified member of the Institute of Chartered Accountants in England and Wales, 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:

- accounting records were not kept in respect of the company as required by section 386 of the '2006 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 398 of the 2006 Act 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; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I draw your attention to the Financial Review in the Trustees report regarding negative reserves and the Trustees statement on going concern.

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

Use of my report

This report is made solely to the charity's trustees, as a body.

My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, for the statements I have made, or for the opinions I have stated.

Dated : 28th May 2026

Ebrahim Suleman ACA

Member of The Institute of Chartered Accountants in England and Wales

Forrest Burlinson Chartered Accountants

20 Owl Lane, Shawcross, Dewsbury WF12 7RQ

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total £	2024 Total £
Income:					
Donations and similar income	2	161,440	124,792	286,232	241,375
Income from charitable activities:					
School income	3	689,097	84	689,181	742,151
Total Income		850,537	124,876	975,413	983,526
Expenditure:					
Charitable activities:					
Academic and School costs	4	728,987		728,987	677,764
Property and Equipment costs	5	226,335	115,875	342,210	384,523
Administration costs	6	9,266		9,266	44,792
Governance costs	7	16,484	754	17,238	11,283
Total Expenditure		981,072	116,629	1,097,701	1,118,362
Net Income/(Expenditure)		(130,535)	8,247	(122,288)	(134,836)
Transfers	16			-	-
Net movement in funds		(130,535)	8,247	(122,288)	(134,836)
Reconciliation of funds:					
Total funds brought forward		(120,923)	(36,736)	(157,659)	(22,823)
Total funds carried forward		(251,458)	(28,489)	(279,947)	(157,659)

There were no recognised gains or losses other than those included in the Statement of Financial Activities

		Total 2025 £	Total 2024 £
	Notes		
Fixed Assets			
Tangible assets	12	1,819,706	1,953,297
Current Assets			
Debtors and prepayments	13	89,537	35,603
Cash at bank		37,315	22,588
Cash in hand		688	22
		127,540	58,213
Creditors: Amounts falling due within one year			
Other current liabilities	14	(642,129)	(455,505)
Net current liabilities		(514,589)	(397,292)
Total assets less current liabilities		1,305,117	1,556,005
Creditors: Amounts falling due after more than one year			
Loans	15	(1,585,064)	(1,713,664)
Net Assets		(279,947)	(157,659)
FUNDS			
Restricted Funds	16	(28,489)	(36,736)
Unrestricted Funds	16	(251,458)	(120,923)
		(279,947)	(157,659)

In preparing these financial statements:

- (a) The trustees are of the opinion that the company is entitled to the exemption from audit conferred by Section 477 of the Companies Act 2006;
- (b) No notice has been deposited under Section 476 of the Companies Act 2006, and
- (c) The trustees acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 386 of the Companies Act 2006, and for
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The financial statements were approved by the board on 28th May 2026 and signed on their behalf by:

.....
Omar R Kholwadia
Trustee

	Notes	2025 Total £	2024 Total £
Net cash used in operating activities	17	148,645	31,796
Cash flows from investment activities:			
Purchase of fixed assets		(4,653)	(3,135)
Net cash provided by (used in) investing activities		<u>(4,653)</u>	<u>(3,135)</u>
Cash Flows from financing activities			
Additional loans/(repayment)		(128,599)	(43,076)
Cash from financing activities		<u>(128,599)</u>	<u>(43,076)</u>
Increase/(decrease) in cash and cash equivalents during the year		15,393	(14,415)
Cash and cash equivalents brought forward		22,610	37,025
Cash and cash equivalents carried forward		<u>38,003</u>	<u>22,610</u>

1 Accounting Policies

1.1 Basis of preparation of accounts

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The Charity meets the definition of a public benefit entity as defined by FRS 102.

The financial statements have been prepared on the basis that the charity can continue as a going concern for at least 12 months from the date of approval of the accounts.

The Charity has been supported by long term loans, which have slowly been donated to the charity. The Trustees have confirmed that there are no pressure on the Charity to repay the loans. Based on this understanding, the accounts have been prepared on a going concern basis.

1.2 Company status

The Charity is a company limited by guarantee. Membership of the company is open to individuals who apply to the Charity in the form required by the Directors; who adhere to the teachings of the Qur'an and The Sunnah of Rasoolullah (saw) and his righteous companions according to the interpretation and accepted view of the Ahlus Sunnah Wal Jamaa'ah and as expounded by the Pious Predecessors of the four recognised schools of Jurisprudence and in particular the founding scholars of Darul Uloom Deoband and are approved by the Directors.

In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

The number of members as at 31st August 2025 was 3.

As the company does not trade for profit, the trustees have taken advantage of Section 474(2) of the companies Act 2006 and have prepared an income and expenditure account instead of a profit and loss account.

1.3 Funds structure

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects.

Restricted funds comprise the 'New Project' fund for the construction of a new building as outlined in the Trustees report.

1.4 Income

All incoming resources are included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

Donation of services and facilities are included at the value to the Charity where this can be quantified.

Donated goods for ongoing use by the Charity are recognised as tangible fixed assets and included as incoming resources when receivable.

No amounts are included in the financial statements for services donated by volunteers.

Incomings are stated before all expenses.

1.5 Expenditure

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

Charitable Activities comprise all costs identified as wholly or mainly attributable to achieving the charitable objects of the Charity, including the costs of disseminating information in support of charitable activities. These costs include staff costs, wholly or mainly attributable to ensuring the public accountability of the Charity and its compliance with regulation.

1.6 Pensions

The charity operates a stakeholder pension scheme for its employees. The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost. Depreciation is provided on all tangible fixed assets, except freehold land, at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives using the following rates:

Fixture, Fittings & Equipment	20 % Straight Line
Leasehold Premises Improvements	4% Straight Line
Freehold	4% Straight Line

1.8 Debtors

Debtors are recognised at the settlement amount due after any discounts offered

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and any short term highly liquid investments and deposit accounts.

1.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

1.11 Financial instruments

The charity 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 at their settlement value.

	Unrestricted Funds £	Restricted Funds £	2025 Total £	2024 Total £
2 Donations				
Donations	161,440	124,792	286,232	241,375
	<u>161,440</u>	<u>124,792</u>	<u>286,232</u>	<u>241,375</u>
3 School income				
School fees	675,105		675,105	709,301
Textbooks and stationery	440		440	326
Examination fees	4,270		4,270	14,655
Miscellaneous income	183	84	267	9,069
Tuck shop sales	9,099		9,099	7,050
Telephone receipts			0	1,750
	<u>689,097</u>	<u>84</u>	<u>689,181</u>	<u>742,151</u>
4 Academic and School costs				
Wages and national insurance	444,832		444,832	408,786
Meals, provisions, etc	93,124		93,124	96,116
Tuck shop purchases	6,077		6,077	10,141
Tuition fees	824		824	1,695
Teaching materials	3,098		3,098	2,173
Examination fees	11,830		11,830	19,765
School Trip Expenses			0	7,098
Security and supervision	169,202		169,202	131,990
	<u>728,987</u>		<u>728,987</u>	<u>677,764</u>

5	Property and Equipment costs			
	Rates and Water	39,777	39,777	28,848
	Heat and light	86,651	86,651	110,206
	Insurance	4,625	4,625	4,030
	Repairs and renewals	63,986	63,986	90,266
	Cleaning and laundry	8,927	8,927	9,185
	Depreciation - Freehold	2,858	2,858	2,858
	Depreciation - Leasehold property improvements		115,875	115,875
	Depreciation - fixtures, fittings and equipment	19,511	19,511	23,255
		<u>226,335</u>	<u>115,875</u>	<u>342,210</u>
				<u>384,523</u>

	Unrestricted Funds £	Restricted Funds £	2025 Total £	2024 Total £
6				
Administration and Managing the Charity/Governance costs				
Printing, postage and stationery	5,432		5,432	2,520
Telephone	2,546		2,546	2,277
Travelling costs	642		642	394
Training costs	810		810	190
Bad debts recovered	-4,002		-4,002	35,018
Miscellaneous expenses	2,321		2,321	3,561
Bank charges	1,517		1,517	832
	<u>9,266</u>	<u>0</u>	<u>9,266</u>	<u>44,792</u>

7	Governance costs			
	Professional fees	16,484	754	17,238
		<u>16,484</u>	<u>754</u>	<u>17,238</u>

8	Support costs			
	Management/administration	26,221		26,221
	Accounting costs	4,670	754	5,424
	Office costs	8,688		8,688
		<u>39,579</u>	<u>754</u>	<u>40,333</u>

Management and administration costs are allocated on a time basis
Accounting and office costs are based on actual costs

9	Net movement in funds			
	This is stated after charging:			
	Depreciation of tangible assets	22369	115875	138,244

10	Staff costs	Gross wages £	Employers NI £	Approx. Avge. No. of e'ees
	Staff	570,976	44,982	34

The average full-time equivalent number of employees is 25.
There are no employees with emoluments above £60,000 in the period.

Volunteers

The estimated number of hours contributed by volunteers in the period was 4,600 (2024: 4,600) hours.

11 Remuneration and Transactions with Trustees

Omar Kholwadia (a trustee) is School Director and received a gross salary of £21,405 during the period (2024: £19,738).

Otherwise, no remuneration or expenses were paid to any trustee in the period and there were no transactions with the same.

12	Tangible Fixed Assets	Freehold Property £	Leasehold Premises Improvements £	Office and Other Equipment £	Furniture and Fixtures £	Total £
	Cost					
	At 31 August 2024	248,209	2,896,888	204,023	233,499	3,582,619
	Additions			4,653		4,653
						0
	At 31 August 2025	248,209	2,896,888	208,676	233,499	3,587,272
	Depreciation					
	At 31 August 2024	26,455	1,200,622	180,375	221,870	1,629,322
	Charge for the period	2,858	115,875	10,208	9,303	138,244
	At 31 August 2025	29,313	1,316,497	190,583	231,173	1,767,566
	Net book value					
	At 31 August 2025	218,896	1,580,391	18,093	2,326	1,819,706
	At 31 August 2024	221,754	1,696,266	23,648	11,629	1,953,297
					2025 Total £	2024 Total £
13	Debtors					
	Fees due but not received net of bad debt provision				70,300	30,948
	Other debtors				200	200
	Prepayments				19,037	4,455
					89,537	35,603
14	Creditors					
	Loans				95,320	114,499
	Other creditors				116,562	36,709
	Deposit for contingency				15,600	3,100
	Inter account with DUDl Trust				104,735	104,735
	Taxation and social security				18,560	6,178
	VAT				21,716	
	Pensions				3,180	2,842
	Wages				224,038	91,633
	Accruals				42,418	95,809
					642,129	455,505
					2025 Total £	2024 Total £
15	Loans					
	Loans repayable within 2 to 5 years				351,000	407,600
	Loans repayable after 5 years				1,234,064	1,306,064
	Loans repayable beyond 2 years				1,585,064	1,713,664

These loans have been received from private individuals in order to facilitate the construction of the new building ('New Project').

16 Analysis of Funds

	B/Fwd	Incoming resources	Resources expended	Transfers	31 August 2025 C/Fwd
	£	£	£	£	£
New Project - Restricted	(36,736)	124,876	(116,629)		(28,489)
General Fund - Unrestricted	(120,923)	850,537	(981,072)		(251,458)
	<u>(157,659)</u>	<u>975,413</u>	<u>(1,097,701)</u>	<u>0</u>	<u>(279,947)</u>

Analysis of Funds-Previous year

	B/Fwd	Incoming resources	Resources expended	Transfers	31 August 2024 C/Fwd
	£	£	£	£	£
New Project - Restricted	2,107	77,786	(116,629)		(36,736)
General Fund - Unrestricted	(24,930)	905,740	(1,001,733)		(120,923)
	<u>(22,823)</u>	<u>983,526</u>	<u>(1,118,362)</u>		<u>(157,659)</u>

General Fund

The General Fund is the principal fund of the charity. The income produced is used to support the work of the charity.

New Project

This fund is a restricted fund and includes donations, loans, assets and costs in respect of the construction of the new Islamic Seminary building.

Analysis of Net Assets Between Funds

	General Fund	New Project	Total
	£	£	£
Tangible fixed assets	239,079	1,580,627	1,819,706
Current assets	126,905	635	127,540
Creditors falling due within one year	(492,443)	(149,686)	(642,129)
Creditors falling due after more than one year	(124,999)	(1,460,065)	(1,585,064)
	<u>(251,458)</u>	<u>(28,489)</u>	<u>(279,947)</u>

Analysis of Net Assets Between Funds-Previous year

	General Fund	New Project	Total
	£	£	£
Tangible fixed assets	256,795	1,696,502	1,953,297
Current assets	51,341	6,872	58,213
Creditors falling due within one year	(300,060)	(155,445)	(455,505)
Creditors falling due after more than one year	(128,999)	(1,584,665)	(1,713,664)
	<u>(120,923)</u>	<u>(36,736)</u>	<u>(157,659)</u>

17 Reconciliation of net movements in funds to net cash flow from operating activities

	2025	2024
	£	£
Net movement in funds	(122,288)	(134,836)
Add back depreciation charge	138,244	141,988
Decrease (increase) in debtors	(53,934)	15,438
Increase (decrease) in creditors	186,623	9,206
Net cash used in operating activities	<u>148,645</u>	<u>31,796</u>