

SAFAR ACADEMY TRUST

England & Wales · Charity number 1125653

Details

Status Registered

Legal form Trust

Registered 2008-08-29

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: 1 TO ADVANCE THE EDUCATION OF THE PUBLIC IN ISLAMIC EDUCATION AND PEDAGOGY2 TO PROVIDE GRANTS, LOANS AND OTHER FINANCIAL ASSISTANCE TO THE POOR AND NEEDY AND INSTITUTIONS FOR EDUCATION, WELFARE AND RELIGIOUS NEEDS AND PROVIDE ADVICE AND ASSISTANCE IN OBTAINING THE SAME3 TO PROMOTE SUCH OTHER CHARITABLE PURPOSES AS MAY FROM TIME TO TIME BE DETERMINED

Activities: Dissemination of Islamic education & pedagogy; Development of resources & providing support to schools that teach Islamic subjects; Running school in the UK for children & Adults teaching Islamic studies; Providing training to school staff and needy; and helping the needy people abroad.

Classification

- **How:** Provides Services
- **What:** Education/training, Religious Activities
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LONDON.
- City Of London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£1,504,377	£1,483,521	£85,199	95
2023-08-31	£1,415,579	£1,525,331	£64,343	96
2022-08-31	£1,182,087	£1,232,880	£174,095	90
2021-08-31	£611,494	£645,392	£224,888	84
2020-08-31	£714,443	£736,976	£258,786	88

Trustees

Name	Role	Appointed
Mohammed Baig		2019-06-24
Shahzad Abdul Wasim		2024-04-01
Shaikh Mohammad Ali Amjad		2024-04-01

Accounts

Charity registration number: 1125653

Safar Academy Trust

Annual Report and Consolidated Financial Statements

for the Year Ended 31 August 2024

Safar Academy Trust

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Safar Academy Trust

Reference and Administrative Details

Trustees	S A Wasim
	M Baig
	S M A Amjad
Charity Registration Number	1125653
Principal Office	Unit 235
	North London Business Park
	Oakleigh Road South
	London N11 1GN
Auditors	NA Associates LLP
	Chartered Certified Accountants
	Woodgate Studios
	2-8 Games Road
	Cockfosters
	Hertfordshire EN4 9HN
Bankers	HSBC
	1 Aldermans Hill
	Palmers Green
	London N13 5SR

Safar Academy Trust

Trustees' Report

The trustees, present the annual report together with the consolidated financial statements of the charity for the year ended 31 August 2024.

Objectives and activities

Objects and aims

Our charity's purpose and aims are set out in the objects contained in the charity's Trust Deed are:

- 1 To advance the education of the public in Islamic education and pedagogy;
- 2 To provide grants, loans and other financial assistance to the poor and needy and institutions for education, welfare, religious needs and provide advice and assistance in obtaining the same;
- 3 To promote such other charitable purposes as may from time to time be determined.

The school aims to ensure that children are taught through a curriculum that is directed by the Word of Allah and the Sunnah of Muhammad (peace be upon him). They will learn to discover and evaluate the world around them from a Muslim perspective and, by means of a broad curriculum, they will be encouraged to use and develop their gifts in a God-conscious way. The objective is to provide a high quality Muslim education which will bring the best out of all the children and enable them to have confidence in the Muslim faith and to apply its principles to their lives. This philosophy is reflected in the curriculum, discipline and ethos of the school.

We achieve our charitable objectives by carrying out the following activities:-

- Dissemination of resources in Islamic education and pedagogy;
- Development of resources and providing support to schools that teach Islamic subjects;
- Running schools in the UK for children and adults teaching Islamic studies;
- Providing training to school staff;
- Help the needy people abroad who suffer from poverty and natural disasters.

Fundraising disclosures

The group receives donations throughout the year to further the educational purposes of the charity.

Public benefit

The Charity works within the community to further the advance of education and provide grants or financial assistance to the poor and needy.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The group is very grateful for the use of volunteers to assist with fund raising.

Financial review

Policy on reserves

The finances are constantly reviewed by the committee and a reserve policy is established whereby the unrestricted funds not committed should be held in reserve and maintained at a level which ensures that Safar Academy Trust core activity could continue during a period of unforeseen difficulty.

Safar Academy Trust

Trustees' Report

Plans for future periods

Trustees and Officers

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

Trustees:	S A Wasim (appointed 1 April 2024)
	M Baig
	S M A Amjad (appointed 1 April 2024)
	H Ali (resigned 1 April 2024)
	M H Uddin (resigned 1 April 2024)

Structure, governance and management

Nature of governing document

Safar Academy Trust is a charitable organisation set up to advance Islamic education and relief poverty. Appointment and retirement of trustees is in accordance with the Trust Deed. The overall management of finance is the responsibility of all the Trustees acting on the recommendations of the Chairman, the Treasurer and the advice of the administrator/finance person. The Trustees form the Management Committee who meets regularly to oversee the running of the organisation and mitigating risk.

Recruitment and appointment of trustees

Trustees are recruited with regard to their skills, knowledge and experience needed for the effective administration of the Charity. Trustees are appointed by a resolution of the Trustees passed at a special meeting.

Induction and training of trustees

Trustees are fully briefed on their responsibilities prior to being appointed.

Arrangements for setting key management personnel remuneration

The key management personnel are the Trustees who should not benefit financially from their Trusteeship, unless agreed upon by the Trustees.

Organisational structure

The Trustees oversee the day to day running of the charity.

Major risks and management of those risks

The trustees review the major risks to which the charity is exposed and ensure that systems exist to minimise the impact of any risks on its future effectiveness.

The major risks are considered to be:

1. Difficulty in recruiting staff;
2. A fall in income due to competitors;
3. A risk to the reputation of the charity leading to a fall in income.

These risks are mitigated by ensuring the quality of teaching and books are of a high level. The charity maintains a strong management team and monitors feedback from pupils and customers.

Safar Academy Trust

Trustees' Report

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Statement of responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

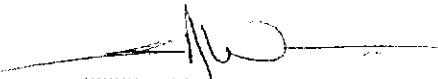
Safar Academy Trust

Trustees' Report

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 27/06/2025 and signed on its behalf by:



S A Wasim
Trustee

Safar Academy Trust

Independent Auditor's Report to the Trustees of Safar Academy Trust

Opinion

We have audited the financial statements of Safar Academy Trust (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 August 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

Safar Academy Trust

Independent Auditor's Report to the Trustees of Safar Academy Trust

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Identifying and testing significant manual journal entries and reviewing assumptions and judgements made by management in making significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Safar Academy Trust

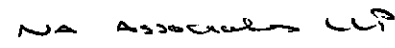
Independent Auditor's Report to the Trustees of Safar Academy Trust

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.


.....
NA Associates LLP
Chartered Certified Accountants
and Statutory Auditors

Woodgate Studios
2-8 Games Road
Cockfosters
Hertfordshire
EN4 9HN

Date: 27-6-25

NA Associates LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Safar Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2024

	Note	Unrestricted funds £	Total 2024 £
Income and Endowments from:			
Donations and legacies	2	101,337	101,337
Charitable activities	3	489,241	489,241
Other trading activities	4	913,799	913,799
Total income		<u>1,504,377</u>	<u>1,504,377</u>
Expenditure on:			
Raising funds	5	(501,529)	(501,529)
Charitable activities	6	(918,961)	(918,961)
Other expenditure	7	(63,031)	(63,031)
Total expenditure		<u>(1,483,521)</u>	<u>(1,483,521)</u>
Net income		<u>20,856</u>	<u>20,856</u>
Net movement in funds		20,856	20,856
Reconciliation of funds			
Total funds brought forward		<u>64,343</u>	<u>64,343</u>
Total funds carried forward	17	<u>85,199</u>	<u>85,199</u>

The notes on pages 15 to 30 form an integral part of these financial statements.

Safar Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2024

	Note	Unrestricted funds £	Total 2023 £
Income and Endowments from:			
Donations and legacies	2	63,418	63,418
Charitable activities	3	444,549	444,549
Other trading activities	4	<u>907,612</u>	<u>907,612</u>
Total income		<u>1,415,579</u>	<u>1,415,579</u>
Expenditure on:			
Raising funds	5	(591,982)	(591,982)
Charitable activities	6	(834,392)	(834,392)
Other expenditure	7	<u>(98,957)</u>	<u>(98,957)</u>
Total expenditure		<u>(1,525,331)</u>	<u>(1,525,331)</u>
Net expenditure		<u>(109,752)</u>	<u>(109,752)</u>
Net movement in funds		(109,752)	(109,752)
Reconciliation of funds			
Total funds brought forward		<u>174,095</u>	<u>174,095</u>
Total funds carried forward	17	<u><u>64,343</u></u>	<u><u>64,343</u></u>

All of the group's activities derive from continuing operations during the above two periods.
The funds breakdown for is shown in the notes 17.

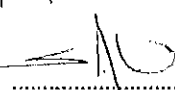
Safar Academy Trust

(Registration number:)

Consolidated Balance Sheet as at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	10	8,370	9,324
Current assets			
Stocks	12	159,730	107,201
Debtors	13	42,886	61,668
Cash at bank and in hand	14	204,111	218,334
		<u>406,727</u>	<u>387,203</u>
Creditors: Amounts falling due within one year	15	<u>(329,898)</u>	<u>(332,184)</u>
Net current assets		<u>76,829</u>	<u>55,019</u>
Net assets		<u>85,199</u>	<u>64,343</u>
Funds of the group:			
Unrestricted income funds			
Unrestricted funds		<u>85,199</u>	<u>64,343</u>
Total funds	17	<u>85,199</u>	<u>64,343</u>

The financial statements on pages 9 to 30 were approved by the trustees, and authorised for issue on 27/06/2025 and signed on their behalf by:


S A Wasim
Trustee

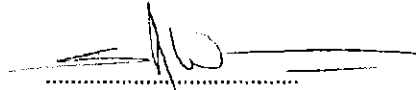
The notes on pages 15 to 30 form an integral part of these financial statements.

Safar Academy Trust

(Registration number:)
Balance Sheet as at 31 August 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	10	5,081	7,049
Investments		<u>100</u>	<u>100</u>
		<u>5,181</u>	<u>7,149</u>
Current assets			
Debtors	13	263,063	131,918
Cash at bank and in hand	14	<u>84,347</u>	<u>104,064</u>
		347,410	235,982
Creditors: Amounts falling due within one year	15	<u>(77,414)</u>	<u>(49,853)</u>
Net current assets		<u>269,996</u>	<u>186,129</u>
Net assets		<u>275,177</u>	<u>193,278</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>275,177</u>	<u>193,278</u>
Total funds	17	<u>275,177</u>	<u>193,278</u>

The financial statements on pages 9 to 30 were approved by the trustees, and authorised for issue on 27/06/2025 and signed on their behalf by:


S A Wasim
Trustee

The notes on pages 15 to 30 form an integral part of these financial statements.

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Consolidated Statement of Cash Flows for the Year Ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash income/(expenditure)		20,856	(109,752)
Adjustments to cash flows from non-cash items			
Depreciation	5, 7	<u>2,821</u>	<u>2,537</u>
		23,677	(107,215)
Working capital adjustments			
(Increase)/decrease in stocks	12	(52,529)	74,576
Decrease/(increase) in debtors	13	18,782	(4,024)
(Decrease)/increase in creditors	15	<u>(2,286)</u>	<u>157,416</u>
Net cash flows from operating activities		(12,356)	120,753
Cash flows from investing activities			
Purchase of tangible fixed assets	10	<u>(1,867)</u>	<u>(2,844)</u>
Net (decrease)/increase in cash and cash equivalents		(14,223)	117,909
Cash and cash equivalents at 1 September		<u>218,334</u>	<u>100,425</u>
Cash and cash equivalents at 31 August		<u><u>204,111</u></u>	<u><u>218,334</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 30 form an integral part of these financial statements.

Safar Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash income/(expenditure)		81,899	(36,011)
Adjustments to cash flows from non-cash items			
Depreciation	5, 7	<u>1,968</u>	<u>1,968</u>
		83,867	(34,043)
Working capital adjustments			
(Increase)/decrease in debtors	13	(131,145)	39,656
Increase in creditors	15	<u>27,561</u>	<u>26,152</u>
Net cash flows from operating activities		<u>(19,717)</u>	<u>31,765</u>
Net (decrease)/increase in cash and cash equivalents		(19,717)	31,765
Cash and cash equivalents at 1 September		<u>104,064</u>	<u>72,299</u>
Cash and cash equivalents at 31 August		<u><u>84,347</u></u>	<u><u>104,064</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 30 form an integral part of these financial statements.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity constitutes a public benefit entity as defined by FRS102.

Basis of preparation

Safar Academy Trust 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 notes.

Safar Academy Trust is an unincorporated charity based in England, United Kingdom and which operates from its principal office.

The accounts are prepared in the groups functional currency of British Pounds (£) and rounded to the nearest £1.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertaking drawn up to 31 August 2024. No statement of financial activities is presented for the parent charity as permitted. The parent charity made a profit for the financial year of £81,899 (2023 - loss £36,011).

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The financial statements have been prepared on a going concern basis, as the trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group. The group made a profit in 2024 while making a loss in 2023 and 2022 which was due mainly to one off software development costs in the subsidiary for a new App that will be launched in 2025. Since the year end the group has continued to making a profit and expect the group to continue to do so into the foreseeable future. Accordingly the financial statements have been prepared on a going concern basis.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

Charitable activities

Charitable income arises from tuition fees and is recognised when tuition has taken place and the charity is entitled to the income.

Other income

The subsidiary income arises from the sale of books and is recognised once the books are dispatched to the customer.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Grants are recognised in the period to which they relate.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class

Fixtures, fittings and equipment

Depreciation method and rate

20% straight line method

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

Research and development

Research and development expenditure is written off in the profit and loss account as incurred.

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the charity. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors and other debtors are measured at cost, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors and other creditors are obligations to pay for goods or services. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors and other creditors are recognised at cost.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Investments

Investments in subsidiaries and associates are measured at cost less impairment.

2 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations	101,337	101,337
Total for 2024	101,337	101,337
Total for 2023	63,418	63,418

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

3 Income from charitable activities

	Unrestricted funds General £	Total 2024 £
Tuition fees	489,241	489,241
	Unrestricted funds General £	Total 2023 £
Tuition fees	444,549	444,549

4 Income from other trading activities

	Unrestricted funds General £	Total 2024 £	Total 2023 £
Sale of books	895,045	895,045	901,836
App income	18,754	18,754	5,776
	913,799	913,799	907,612

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

5 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		501,529	501,529
Total for 2024		501,529	501,529
Total for 2023		591,982	591,982

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

6 Expenditure on charitable activities

		Unrestricted funds General £	Total 2024 £
Staff costs	Note 9	711,166	711,166
Allocated support costs (see below)		<u>207,795</u>	<u>207,795</u>
		<u>918,961</u>	<u>918,961</u>
		Unrestricted funds General £	Total 2023 £
Staff costs	Note 9	634,347	634,347
Allocated support costs (see below)		<u>200,045</u>	<u>200,045</u>
		<u>834,392</u>	<u>834,392</u>
Support Costs		2024 £	2023 £
Rent payable		78,485	81,270
Computer, IT and development costs		7,708	8,258
Consultancy		<u>121,602</u>	<u>110,517</u>
		<u>207,795</u>	<u>200,045</u>

7 Other expenditure

		Unrestricted funds General £	Total 2024 £
Audit fees	Note		
Audit of the financial statements		9,900	9,900
Other fees paid to auditors		19,010	19,010
Depreciation, amortisation and other similar costs		1,968	1,968
Other resources expended		<u>32,153</u>	<u>32,153</u>
		<u>63,031</u>	<u>63,031</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

	Unrestricted funds General £	Total 2023 £
Audit fees		
- Audit of the financial statements	9,240	9,240
- Other fees paid to auditors	19,540	19,540
Depreciation, amortisation and other similar costs	2,537	2,537
Other resources expended	67,640	67,640
	<u>98,957</u>	<u>98,957</u>

8 Trustees remuneration and expenses

During the year the group made the following transactions with trustees:

H Ali

H Ali received remuneration of £42,616 (2023: £73,424) during the year.

S A Wasim

S A Wasim received remuneration of £24,969 (2023: £Nil) during the year.

S M A Amjad

S M A Amjad received remuneration of £20,833 (2023: £Nil) during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	667,004	607,206
Social security costs	37,006	20,678
Pension costs	7,156	6,463
	<u>711,166</u>	<u>634,347</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Administration	24	25
Teaching staff	71	71
	<u>95</u>	<u>96</u>

The number of employees whose emoluments fell within the following bands was:

	2024 No	2023 No
£60,001 - £70,000	1	-
£70,001 - £80,000	<u>-</u>	<u>1</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

10 Tangible fixed assets

Group

	Furniture and equipment £	Total £
Cost		
At 1 September 2023	34,653	34,653
Additions	<u>1,867</u>	<u>1,867</u>
At 31 August 2024	<u>36,520</u>	<u>36,520</u>
Depreciation		
At 1 September 2023	25,329	25,329
Charge for the year	<u>2,821</u>	<u>2,821</u>
At 31 August 2024	<u>28,150</u>	<u>28,150</u>
Net book value		
At 31 August 2024	<u>8,370</u>	<u>8,370</u>
At 31 August 2023	<u>9,324</u>	<u>9,324</u>

Charity

	Furniture and equipment £	Total £
Cost		
At 1 September 2023	<u>31,809</u>	<u>31,809</u>
At 31 August 2024	<u>31,809</u>	<u>31,809</u>
Depreciation		
At 1 September 2023	24,760	24,760
Charge for the year	<u>1,968</u>	<u>1,968</u>
At 31 August 2024	<u>26,728</u>	<u>26,728</u>
Net book value		
At 31 August 2024	<u>5,081</u>	<u>5,081</u>
At 31 August 2023	<u>7,049</u>	<u>7,049</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

11 Fixed asset investments

Charity

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 September 2023	100	100
At 31 August 2024	100	100
Net book value		
At 31 August 2024	100	100
At 31 August 2023	100	100

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2024	2023	
Subsidiary undertakings					
Safar Publications Limited	England	Ordinary shares	100%	100%	Sale of books

12 Stock

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Stocks	159,730	107,201	-	-

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

13 Debtors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	28,622	20,057	-	-
Due from group undertakings	-	-	254,585	122,987
Prepayments	-	453	-	-
VAT recoverable	5,786	4,226	-	-
Other debtors	8,478	36,932	8,478	8,931
	<u>42,886</u>	<u>61,668</u>	<u>263,063</u>	<u>131,918</u>

14 Cash and cash equivalents

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Cash at bank	<u>204,111</u>	<u>218,334</u>	<u>84,347</u>	<u>104,064</u>

15 Creditors: amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	64,278	170,695	-	-
Other taxation and social security	12,790	10,023	5,044	2,084
Trustees current accounts	79,355	-	-	-
Other creditors	136,582	118,776	51,309	23,929
Accruals	36,893	32,690	21,061	23,840
	<u>329,898</u>	<u>332,184</u>	<u>77,414</u>	<u>49,853</u>

16 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £7,156 (2023 - £6,463).

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

17 Funds

Group

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Balance at 31 August 2024 £
Unrestricted funds				
General	<u>64,343</u>	<u>1,504,377</u>	<u>(1,483,521)</u>	<u>85,199</u>

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Balance at 31 August 2023 £
Unrestricted funds				
General	<u>174,095</u>	<u>1,415,579</u>	<u>(1,525,331)</u>	<u>64,343</u>

Charity

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Balance at 31 August 2024 £
Unrestricted funds				
General	<u>193,278</u>	<u>590,578</u>	<u>(508,679)</u>	<u>275,177</u>

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Balance at 31 August 2023 £
Unrestricted funds				
General	<u>229,289</u>	<u>507,967</u>	<u>(543,978)</u>	<u>193,278</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

18 Analysis of net assets between funds

Group

	Unrestricted funds General £	Total funds at 31 August 2024 £
Tangible fixed assets	8,370	8,370
Current assets	406,727	406,727
Current liabilities	(329,898)	(329,898)
Total net assets	<u>85,199</u>	<u>85,199</u>
	Unrestricted funds General £	Total funds at 31 August 2023 £
Tangible fixed assets	9,324	9,324
Current assets	387,203	387,203
Current liabilities	(332,184)	(332,184)
Total net assets	<u>64,343</u>	<u>64,343</u>

Charity

	Unrestricted funds General £	Total funds at 31 August 2024 £
Tangible fixed assets	5,081	5,081
Fixed asset investments	100	100
Current assets	347,410	347,410
Current liabilities	(77,414)	(77,414)
Total net assets	<u>275,177</u>	<u>275,177</u>
	Unrestricted funds General £	Total funds at 31 August 2023 £
Tangible fixed assets	7,049	7,049
Fixed asset investments	100	100
Current assets	235,982	235,982
Current liabilities	(49,853)	(49,853)
Total net assets	<u>193,278</u>	<u>193,278</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2024

19 Related party transactions

Other creditors of the group includes an amount of £102,471 (2023 - £Nil) owed to a related party.

Debtors for the parent charity includes an amount of £254,585 (2023 - £122,987) due from the subsidiary company.

Accounts

Charity registration number: 1125653

Safar Academy Trust

Annual Report and Consolidated Financial Statements

for the Year Ended 31 August 2023

Safar Academy Trust

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Safar Academy Trust

Reference and Administrative Details

Trustees	S A Wasim M Baig S M A Amjad
Charity Registration Number	1125653
Principal Office	Unit 235 North London Business Park Oakleigh Road South London N11 1GN
Auditors	NA Associates LLP Chartered Certified Accountants Woodgate Studios 2-8 Games Road Cockfosters Hertfordshire EN4 9HN
Bankers	HSBC 1 Aldermans Hill Palmers Green London N13 5SR

Safar Academy Trust

Trustees' Report

The trustees, present the annual report together with the consolidated financial statements and auditors' report of the charity for the year ended 31 August 2023.

Objectives and activities

Objects and aims

Our charity's purpose and aims are set out in the objects contained in the charity's Trust Deed are:

- 1 To advance the education of the public in Islamic education and pedagogy;
- 2 To provide grants, loans and other financial assistance to the poor and needy and institutions for education, welfare, religious needs and provide advice and assistance in obtaining the same;
- 3 To promote such other charitable purposes as may from time to time be determined.

The school aims to ensure that children are taught through a curriculum that is directed by the Word of Allah and the Sunnah of Muhammad (peace be upon him). They will learn to discover and evaluate the world around them from a Muslim perspective and, by means of a broad curriculum, they will be encouraged to use and develop their gifts in a God-conscious way. The objective is to provide a high quality Muslim education which will bring the best out of all the children and enable them to have confidence in the Muslim faith and to apply its principles to their lives. This philosophy is reflected in the curriculum, discipline and ethos of the school.

We achieve our charitable objectives by carrying out the following activities:-

- Dissemination of resources in Islamic education and pedagogy;
- Development of resources and providing support to schools that teach Islamic subjects;
- Running schools in the UK for children and adults teaching Islamic studies;
- Providing training to school staff;
- Help the needy people abroad who suffer from poverty and natural disasters.

Fundraising disclosures

The group receives donations throughout the year to further the educational purposes of the charity.

Public benefit

The Charity works within the community to further the advance of education and provide grants or financial assistance to the poor and needy.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The group is very grateful for the use of volunteers to assist with fund raising.

Financial review

Policy on reserves

The finances are constantly reviewed by the committee and a reserve policy is established whereby the unrestricted funds not committed should be held in reserve and maintained at a level which ensures that Safar Academy Trust core activity could continue during a period of unforeseen difficulty.

Safar Academy Trust

Trustees' Report

Plans for future periods

Trustees and Officers

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

Trustees:	S A Wasim (appointed 1 April 2024)
	M Baig
	S M A Amjad (appointed 1 April 2024)
	H Ali (resigned 1 April 2024)
	M H Uddin (resigned 1 April 2024)

Structure, governance and management

Nature of governing document

Safar Academy Trust is a charitable organisation set up to advance Islamic education and relief poverty. Appointment and retirement of trustees is in accordance with the Trust Deed. The overall management of finance is the responsibility of all the Trustees acting on the recommendations of the Chairman, the Treasurer and the advice of the administrator/finance person. The Trustees form the Management Committee who meets regularly to oversee the running of the organisation and mitigating risk.

Recruitment and appointment of trustees

Trustees are recruited with regard to their skills, knowledge and experience needed for the effective administration of the Charity. Trustees are appointed by a resolution of the Trustees passed at a special meeting.

Induction and training of trustees

Trustees are fully briefed on their responsibilities prior to being appointed.

Arrangements for setting key management personnel remuneration

The key management personnel are the Trustees who should not benefit financially from their Trusteeship, unless agreed upon by the Trustees.

Organisational structure

The Trustees oversee the day to day running of the charity.

Major risks and management of those risks

The trustees review the major risks to which the charity is exposed and ensure that systems exist to minimise the impact of any risks on its future effectiveness.

The major risks are considered to be:

1. Difficulty in recruiting staff;
2. A fall in income due to competitors;
3. A risk to the reputation of the charity leading to a fall in income.

These risks are mitigated by ensuring the quality of teaching and books are of a high level. The charity maintains a strong management team and monitors feedback from pupils and customers.

Safar Academy Trust

Trustees' Report

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Statement of responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

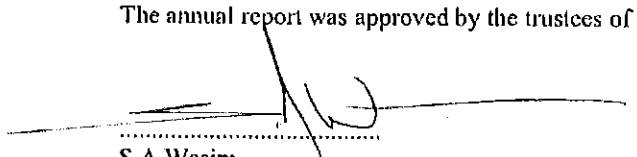
Safar Academy Trust

Trustees' Report

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 06/12/2021 and signed on its behalf by:



S A Wasim
Trustee

Safar Academy Trust

Independent Auditor's Report to the Trustees of Safar Academy Trust

Opinion

We have audited the financial statements of Safar Academy Trust (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 August 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

Safar Academy Trust

Independent Auditor's Report to the Trustees of Safar Academy Trust

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Identifying and testing significant manual journal entries and reviewing assumptions and judgements made by management in making significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Safar Academy Trust

Independent Auditor's Report to the Trustees of Safar Academy Trust

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

NA Associates LLP

NA Associates LLP
Chartered Certified Accountants
and Statutory Auditors

Woodgate Studios
2-8 Games Road
Cockfosters
Hertfordshire
EN4 9HN

Date: *7/12/24*

NA Associates LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Safar Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2023

	Note	Unrestricted funds £	Total 2023 £
Income and Endowments from:			
Donations and legacies	2	63,418	63,418
Charitable activities	3	444,549	444,549
Other trading activities	4	<u>907,612</u>	<u>907,612</u>
Total income		<u>1,415,579</u>	<u>1,415,579</u>
Expenditure on:			
Raising funds	6	(591,982)	(591,982)
Charitable activities	7	(834,392)	(834,392)
Other expenditure	8	<u>(98,957)</u>	<u>(98,957)</u>
Total expenditure		<u>(1,525,331)</u>	<u>(1,525,331)</u>
Net expenditure		<u>(109,752)</u>	<u>(109,752)</u>
Net movement in funds		(109,752)	(109,752)
Reconciliation of funds			
Total funds brought forward		<u>174,095</u>	<u>174,095</u>
Total funds carried forward	18	<u><u>64,343</u></u>	<u><u>64,343</u></u>

The notes on pages 15 to 28 form an integral part of these financial statements.

Safar Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2023

	Note	Unrestricted funds £	Total 2022 £
Income and Endowments from:			
Donations and legacies	2	57,563	57,563
Charitable activities	3	396,942	396,942
Other trading activities	4	724,702	724,702
Other income	5	<u>2,880</u>	<u>2,880</u>
Total income		<u>1,182,087</u>	<u>1,182,087</u>
Expenditure on:			
Raising funds	6	(324,975)	(324,975)
Charitable activities	7	(837,200)	(837,200)
Other expenditure	8	<u>(70,705)</u>	<u>(70,705)</u>
Total expenditure		<u>(1,232,880)</u>	<u>(1,232,880)</u>
Net expenditure		<u>(50,793)</u>	<u>(50,793)</u>
Net movement in funds		(50,793)	(50,793)
Reconciliation of funds			
Total funds brought forward		<u>224,888</u>	<u>224,888</u>
Total funds carried forward	18	<u><u>174,095</u></u>	<u><u>174,095</u></u>

All of the group's activities derive from continuing operations during the above two periods.
The funds breakdown for is shown in the notes 18.

The notes on pages 15 to 28 form an integral part of these financial statements.

Safar Academy Trust

(Registration number:)

Consolidated Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	9,324	9,017
Current assets			
Stocks	13	107,201	181,777
Debtors	14	61,668	57,644
Cash at bank and in hand	15	218,334	100,425
		387,203	339,846
Creditors: Amounts falling due within one year	16	(332,184)	(174,768)
Net current assets		55,019	165,078
Net assets		64,343	174,095
Funds of the group:			
Unrestricted income funds			
Unrestricted funds		64,343	174,095
Total funds	18	64,343	174,095

The financial statements on pages 9 to 28 were approved by the trustees, and authorised for issue on 06/12/2023 and signed on their behalf by:

S A Wasim
Trustee

The notes on pages 15 to 28 form an integral part of these financial statements.

Safar Academy Trust

(Registration number:)

Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	7,049	9,017
Investments		<u>100</u>	<u>100</u>
		<u>7,149</u>	<u>9,117</u>
Current assets			
Debtors	14	131,918	171,574
Cash at bank and in hand	15	<u>104,064</u>	<u>72,299</u>
		235,982	243,873
Creditors: Amounts falling due within one year	16	<u>(49,853)</u>	<u>(23,701)</u>
Net current assets		<u>186,129</u>	<u>220,172</u>
Net assets		<u>193,278</u>	<u>229,289</u>
Funds of the charity:			
Unrestricted Income funds			
Unrestricted funds		<u>193,278</u>	<u>229,289</u>
Total funds	18	<u>193,278</u>	<u>229,289</u>

The financial statements on pages 9 to 28 were approved by the trustees, and authorised for issue on 06/12/2024 and signed on their behalf by:

S A Wasim
Trustee

The notes on pages 15 to 28 form an integral part of these financial statements.

Safar Academy Trust

Consolidated Statement of Cash Flows for the Year Ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash expenditure		(109,752)	(50,793)
Adjustments to cash flows from non-cash items			
Depreciation	6, 8	<u>2,537</u>	<u>1,968</u>
		(107,215)	(48,825)
Working capital adjustments			
Decrease/(increase) in stocks	13	74,576	(142,707)
(Increase)/decrease in debtors	14	(4,024)	25,143
Increase in creditors	16	<u>157,416</u>	<u>130,605</u>
Net cash flows from operating activities		120,753	(35,784)
Cash flows from investing activities			
Purchase of tangible fixed assets	11	<u>(2,844)</u>	<u>(2,566)</u>
Net increase/(decrease) in cash and cash equivalents		117,909	(38,350)
Cash and cash equivalents at 1 September		<u>100,425</u>	<u>138,775</u>
Cash and cash equivalents at 31 August		<u><u>218,334</u></u>	<u><u>100,425</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 28 form an integral part of these financial statements.

Safar Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (expenditure)/income		(36,011)	4,401
Adjustments to cash flows from non-cash items			
Depreciation	6, 8	<u>1,968</u>	<u>1,968</u>
		(34,043)	6,369
Working capital adjustments			
Decrease in debtors	14	39,656	14,383
Increase in creditors	16	<u>26,152</u>	<u>5,553</u>
Net cash flows from operating activities		31,765	26,305
Cash flows from investing activities			
Purchase of tangible fixed assets	11	<u>-</u>	<u>(2,566)</u>
Net increase in cash and cash equivalents		31,765	23,739
Cash and cash equivalents at 1 September		<u>72,299</u>	<u>48,560</u>
Cash and cash equivalents at 31 August		<u><u>104,064</u></u>	<u><u>72,299</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 28 form an integral part of these financial statements.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity constitutes a public benefit entity as defined by FRS102.

Basis of preparation

Safar Academy Trust 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 notes.

Safar Academy Trust is an unincorporated charity based in England, United Kingdom and which operates from its principal office.

The accounts are prepared in the groups functional currency of British Pounds (£) and rounded to the nearest £1.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertaking drawn up to 31 August 2023. No statement of financial activities is presented for the parent charity as permitted. The parent charity made a loss for the financial year of £36,011 (2022 - profit £4,401).

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The financial statements have been prepared on a going concern basis, as the trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group. The group made a loss in 2023 and 2022 which was due mainly to one off software development costs in the subsidiary for the for a new App that will be fully launched in 2025. Since the year end the group has returned to making a profit and expect the group to continue to do so into the foreseeable future. Accordingly the financial statements have been prepared on a going concern basis.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

Charitable activities

Charitable income arises from tuition fees and is recognised when tuition has taken place and the charity is entitled to the income.

Other income

The subsidiary income arises from the sale of books and is recognised once the books are dispatched to the customer.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Grants are recognised in the period to which they relate.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	20% straight line method

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

Research and development

Research and development expenditure is written off in the profit and loss account as incurred.

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the charity. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors and other debtors are measured at cost, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors and other creditors are obligations to pay for goods or services. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors and other creditors are recognised at cost.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Investments

Investments in subsidiaries and associates are measured at cost less impairment.

2 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations	63,418	63,418
Total for 2023	63,418	63,418
Total for 2022	57,563	57,563

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

3 Income from charitable activities

	Unrestricted funds General £	Total 2023 £
Tuition fees	444,549	444,549
	Unrestricted funds General £	Total 2022 £
Tuition fees	396,942	396,942

4 Income from other trading activities

	Unrestricted funds General £	Total 2023 £	Total 2022 £
Sale of books	901,836	901,836	724,702
App income	5,776	5,776	-
	907,612	907,612	724,702

5 Other income

	Unrestricted funds General £	Total funds £
Total for 2022	2,880	2,880

6 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		591,982	591,982
Total for 2023		591,982	591,982
Total for 2022		324,975	324,975

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

7 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total 2023 £
Staff costs	10	634,347	634,347
Allocated support costs (see below)		200,045	200,045
		<u>834,392</u>	<u>834,392</u>

	Note	Unrestricted funds General £	Total 2022 £
Staff costs	10	525,053	525,053
Allocated support costs (see below)		312,147	312,147
		<u>837,200</u>	<u>837,200</u>

Support Costs

	2023 £	2022 £
Rent payable	81,270	53,656
Computer, IT and development costs	8,258	157,132
Consultancy	110,517	101,359
	<u>200,045</u>	<u>312,147</u>

8 Other expenditure

	Note	Unrestricted funds General £	Total 2023 £
Audit fees			
Audit of the financial statements		9,240	9,240
Other fees paid to auditors		19,540	19,540
Depreciation, amortisation and other similar costs		2,537	2,537
Other resources expended		67,640	67,640
		<u>98,957</u>	<u>98,957</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

	Unrestricted funds	Total
	General	2022
	£	£
Audit fees		
- Audit of the financial statements	8,800	8,800
- Other fees paid to auditors	11,415	11,415
Depreciation, amortisation and other similar costs	1,968	1,968
Other resources expended	48,522	48,522
	<u>70,705</u>	<u>70,705</u>

9 Trustees remuneration and expenses

During the year the group made the following transactions with trustees:

H Ali

H Ali received remuneration of £73,424 (2022: £55,906) during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	607,206	455,508
Social security costs	20,678	14,214
Pension costs	6,463	6,315
	<u>634,347</u>	<u>476,037</u>

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Administration	9	12
Teaching staff	87	78
	<u>96</u>	<u>90</u>

The number of employees whose emoluments fell within the following bands was:

	2023 No	2022 No
£70,001 - £80,000	<u>1</u>	<u>-</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

11 Tangible fixed assets

Group

	Furniture and equipment £	Total £
Cost		
At 1 September 2022	31,809	31,809
Additions	2,844	2,844
At 31 August 2023	34,653	34,653
Depreciation		
At 1 September 2022	22,792	22,792
Charge for the year	2,537	2,537
At 31 August 2023	25,329	25,329
Net book value		
At 31 August 2023	9,324	9,324
At 31 August 2022	9,017	9,017

Charity

	Furniture and equipment £	Total £
Cost		
At 1 September 2022	31,809	31,809
Additions	2,844	2,844
At 31 August 2023	34,653	34,653
Depreciation		
At 1 September 2022	22,792	22,792
Charge for the year	2,537	2,537
At 31 August 2023	25,329	25,329
Net book value		
At 31 August 2023	9,324	9,324
At 31 August 2022	9,017	9,017

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

12 Fixed asset investments

Charity

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 September 2022	100	100
At 31 August 2023	100	100
Net book value		
At 31 August 2023	100	100
At 31 August 2022	100	100

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2023	2022	
Subsidiary undertakings					
Safar Publications Limited	England	Ordinary shares	100%	100%	Sale of books

13 Stock

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Stocks	107,201	181,777	-	-

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

14 Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	20,057	-	-	-
Due from group undertakings	-	-	122,987	162,685
Prepayments	453	26,389	-	-
VAT recoverable	4,226	8,926	-	-
Other debtors	36,932	22,329	8,931	8,889
	<u>61,668</u>	<u>57,644</u>	<u>131,918</u>	<u>171,574</u>

15 Cash and cash equivalents

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Cash at bank	<u>218,334</u>	<u>100,425</u>	<u>104,064</u>	<u>72,299</u>

16 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	170,695	67,927	-	-
Other taxation and social security	10,023	6,856	2,084	984
Other creditors	118,776	75,775	23,929	2,507
Accruals	32,690	24,210	23,840	20,210
	<u>332,184</u>	<u>174,768</u>	<u>49,853</u>	<u>23,701</u>

17 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £6,315 (2022 - £5,484).

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

18 Funds

Group

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Balance at 31 August 2023 £
Unrestricted funds				
General	<u>174,095</u>	<u>1,415,579</u>	<u>(1,525,331)</u>	<u>64,343</u>

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
Unrestricted funds				
General	<u>224,888</u>	<u>1,182,087</u>	<u>(1,232,880)</u>	<u>174,095</u>

Charity

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Balance at 31 August 2023 £
Unrestricted funds				
General	<u>229,289</u>	<u>507,967</u>	<u>(543,978)</u>	<u>193,278</u>

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
Unrestricted funds				
General	<u>224,888</u>	<u>457,385</u>	<u>(452,984)</u>	<u>229,289</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

19 Analysis of net assets between funds

Group

	Unrestricted funds General £	Total funds at 31 August 2023 £
Tangible fixed assets	9,324	9,324
Current assets	387,203	387,203
Current liabilities	(332,184)	(332,184)
Total net assets	<u>64,343</u>	<u>64,343</u>
	Unrestricted funds General £	Total funds at 31 August 2022 £
Tangible fixed assets	9,017	9,017
Current assets	339,846	339,846
Current liabilities	(174,768)	(174,768)
Total net assets	<u>174,095</u>	<u>174,095</u>

Charity

	Unrestricted funds General £	Total funds at 31 August 2023 £
Tangible fixed assets	7,049	7,049
Fixed asset investments	100	100
Current assets	235,982	235,982
Current liabilities	(49,853)	(49,853)
Total net assets	<u>193,278</u>	<u>193,278</u>
	Unrestricted funds General £	Total funds at 31 August 2022 £
Tangible fixed assets	9,017	9,017
Fixed asset investments	100	100
Current assets	243,873	243,873
Current liabilities	(23,701)	(23,701)
Total net assets	<u>229,289</u>	<u>229,289</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

20 Related party transactions

Other creditors of the group includes an amount of £Nil (2022 - £60,000) owed to a related party.

Debtors for the parent charity includes an amount of £122,987 (2022 - £162,685) due from the subsidiary company.

Accounts

Charity registration number: 1125653

Safar Academy Trust

Annual Report and Consolidated Financial Statements

for the Year Ended 31 August 2022

Safar Academy Trust

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Safar Academy Trust

Reference and Administrative Details

Trustees	H Ali
	M H Uddin
	M Baig
Charity Registration Number	1125653
Principal Office	37 Maderia Road London N13 5SR
Auditors	NA Associates LLP Chartered Certified Accountants Woodgate Studios 2-8 Games Road Cockfosters Hertfordshire EN4 9HN
Bankers	HSBC 1 Aldermans Hill Palmers Green London N13 5SR

Safar Academy Trust

Trustees' Report

The trustees, present the annual report together with the consolidated financial statements and auditors' report of the charity for the year ended 31 August 2022.

Objectives and activities

Objects and aims

Our charity's purpose and aims are set out in the objects contained in the charity's Trust Deed are:

- 1 To advance the education of the public in Islamic education and pedagogy;
- 2 To provide grants, loans and other financial assistance to the poor and needy and institutions for education, welfare, religious needs and provide advice and assistance in obtaining the same;
- 3 To promote such other charitable purposes as may from time to time be determined.

The school aims to ensure that children are taught through a curriculum that is directed by the Word of Allah and the Sunnah of Muhammad (peace be upon him). They will learn to discover and evaluate the world around them from a Muslim perspective and, by means of a broad curriculum, they will be encouraged to use and develop their gifts in a God-conscious way. The objective is to provide a high quality Muslim education which will bring the best out of all the children and enable them to have confidence in the Muslim faith and to apply its principles to their lives. This philosophy is reflected in the curriculum, discipline and ethos of the school.

We achieve our charitable objectives by carrying out the following activities:-

- Dissemination of resources in Islamic education and pedagogy;
- Development of resources and providing support to schools that teach Islamic subjects;
- Running schools in the UK for children and adults teaching Islamic studies;
- Providing training to school staff;
- Help the needy people abroad who suffer from poverty and natural disasters.

Fundraising disclosures

The group receives donations throughout the year to further the educational purposes of the charity.

Public benefit

The Charity works within the community to further the advance of education and provide grants or financial assistance to the poor and needy.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

The group is very grateful for the use of volunteers to assist with fund raising.

Financial review

The total income for the group increased from £976,841 in 2021 to £1,182,087 in 2022. This was due mainly to more book sales in the subsidiary which increased from £527,265 in 2021 to £724,702 in 2022. In addition income from tuition fees increased from £344,107 to £396,942.

The group incurred significant costs in the current and prior year in developing the learning App which was launched after the year end.

Due to this the group made a deficit of £50,793 compared to a deficit of £33,898 in 2021.

At the year end the group had net assets of £174,095 compared to £224,888 in 2021.

Safar Academy Trust

Trustees' Report

Policy on reserves

The finance is constantly reviewed by the committee and a reserve policy is established whereby the unrestricted funds not committed should be held in reserve and maintained at a level which ensures that Safar Academy Trust core activity could continue during a period of unforeseen difficulty. This policy is in development and the target amount represents at least six months expenditure. This will be reviewed annually.

Plans for future periods

Aims and key objectives for future periods

Safar Academy Trust aims to continually grow its core business of the education and is looking to expand into new geographical areas.

The subsidiary Safar Publications Limited continues to grow its educational book sales and has also developed and launched an educational App in 2023 to aid the educational learning of the students.

Trustees and Officers

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

Trustees:	H Ali
	M H Uddin
	M Baig

Structure, governance and management

Nature of governing document

Safar Academy Trust is a charitable organisation set up to advance Islamic education and relief poverty. Appointment and retirement of trustees is in accordance with the Trust Deed. The overall management of finance is the responsibility of all the Trustees acting on the recommendations of the Chairman, the Treasurer and the advice of the administrator/finance person. The Trustees form the Management Committee who meets regularly to oversee the running of the organisation and mitigating risk.

Recruitment and appointment of trustees

Trustees are recruited with regard to their skills, knowledge and experience needed for the effective administration of the Charity. Trustees are appointed by a resolution of the Trustees passed at a special meeting.

Induction and training of trustees

Trustees are fully briefed on their responsibilities prior to being appointed.

Arrangements for setting key management personnel remuneration

The key management personnel are the Trustees who should not benefit financially from their Trusteeship, unless agreed upon by the Trustees.

Organisational structure

The Trustees oversee the day to day running of the charity.

Safar Academy Trust

Trustees' Report

Major risks and management of those risks

The trustees review the major risks to which the charity is exposed and ensure that systems exist to minimise the impact of any risks on its future effectiveness.

The major risks are considered to be:

1. Difficulty in recruiting staff;
2. A fall in income due to competitors;
3. A risk to the reputation of the charity leading to a fall in income.

These risks are mitigated by ensuring the quality of teaching and books are of a high level. The charity maintains a strong management team and monitors feedback from pupils and customers.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Statement of responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Safar Academy Trust

Trustees' Report

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 28 November 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'H Ali', with a small asterisk to its right.

.....
H Ali
Trustee

Safar Academy Trust

Independent Auditor's Report to the Trustees of Safar Academy Trust

Opinion

We have audited the financial statements of Safar Academy Trust (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 August 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Other matters

The comparative financial statements are unaudited as the charity was entitled to exemption from audit under the Charities Act.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Safar Academy Trust

Independent Auditor's Report to the Trustees of Safar Academy Trust

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud; and
- Identifying and testing significant manual journal entries and reviewing assumptions and judgements made by management in making significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Safar Academy Trust

Independent Auditor's Report to the Trustees of Safar Academy Trust

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

NA Associates LLP

NA Associates LLP
Chartered Certified Accountants
and Statutory Auditors

Woodgate Studios
2-8 Games Road
Cockfosters
Hertfordshire
EN4 9HN

4 December 2023

NA Associates LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Safar Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2022

	Note	Unrestricted funds £	Total 2022 £
Income and Endowments from:			
Donations and legacies	2	57,563	57,563
Charitable activities	3	396,942	396,942
Other trading activities	4	724,702	724,702
Other income	5	2,880	2,880
Total income		<u>1,182,087</u>	<u>1,182,087</u>
Expenditure on:			
Raising funds	6	(324,975)	(324,975)
Charitable activities	7	(837,200)	(837,200)
Other expenditure	8	(70,705)	(70,705)
Total expenditure		<u>(1,232,880)</u>	<u>(1,232,880)</u>
Net expenditure		<u>(50,793)</u>	<u>(50,793)</u>
Net movement in funds		(50,793)	(50,793)
Reconciliation of funds			
Total funds brought forward		<u>224,888</u>	<u>224,888</u>
Total funds carried forward	18	<u>174,095</u>	<u>174,095</u>

The notes on pages 15 to 28 form an integral part of these financial statements.

Safar Academy Trust

Consolidated Statement of Financial Activities for the Year Ended 31 August 2022

	Note	Unrestricted funds £	Total 2021 £
Income and Endowments from:			
Donations and legacies	2	50,112	50,112
Charitable activities	3	344,107	344,107
Other trading activities	4	527,265	527,265
Other income	5	55,357	55,357
Total income		<u>976,841</u>	<u>976,841</u>
Expenditure on:			
Raising funds	6	(237,592)	(237,592)
Charitable activities	7	(722,121)	(722,121)
Other expenditure	8	(51,026)	(51,026)
Total expenditure		<u>(1,010,739)</u>	<u>(1,010,739)</u>
Net expenditure		<u>(33,898)</u>	<u>(33,898)</u>
Net movement in funds		(33,898)	(33,898)
Reconciliation of funds			
Total funds brought forward		<u>258,786</u>	<u>258,786</u>
Total funds carried forward	18	<u><u>224,888</u></u>	<u><u>224,888</u></u>

All of the group's activities derive from continuing operations during the above two periods.
The funds breakdown for is shown in the notes 18.

Safar Academy Trust

(Registration number:)

Consolidated Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	9,017	8,419
Current assets			
Stocks	13	181,777	39,070
Debtors	14	57,644	82,787
Cash at bank and in hand	15	100,425	138,775
		339,846	260,632
Creditors: Amounts falling due within one year	16	(174,768)	(44,163)
Net current assets		165,078	216,469
Net assets		174,095	224,888
Funds of the group:			
Unrestricted income funds			
Unrestricted funds		174,095	224,888
Total funds	18	174,095	224,888

The financial statements on pages 9 to 28 were approved by the trustees, and authorised for issue on 28 November 2023 and signed on their behalf by:



H Ali
Trustee

The notes on pages 15 to 28 form an integral part of these financial statements.

Safar Academy Trust
(Registration number:)
Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	9,017	8,419
Investments		<u>100</u>	<u>100</u>
		<u>9,117</u>	<u>8,519</u>
Current assets			
Debtors	14	171,574	185,957
Cash at bank and in hand	15	<u>72,299</u>	<u>48,560</u>
		243,873	234,517
Creditors: Amounts falling due within one year	16	<u>(23,701)</u>	<u>(18,148)</u>
Net current assets		<u>220,172</u>	<u>216,369</u>
Net assets		<u>229,289</u>	<u>224,888</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>229,289</u>	<u>224,888</u>
Total funds	18	<u>229,289</u>	<u>224,888</u>

The financial statements on pages 9 to 28 were approved by the trustees, and authorised for issue on 28 November 2023 and signed on their behalf by:



.....
H Ali
Trustee

Safar Academy Trust

Consolidated Statement of Cash Flows for the Year Ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash expenditure		(50,793)	(33,898)
Adjustments to cash flows from non-cash items			
Depreciation	6, 8	<u>1,968</u>	<u>1,784</u>
		(48,825)	(32,114)
Working capital adjustments			
(Increase)/decrease in stocks	13	(142,707)	121,128
Decrease in debtors	14	25,143	192,944
Increase/(decrease) in creditors	16	<u>130,605</u>	<u>(206,150)</u>
Net cash flows from operating activities		(35,784)	75,808
Cash flows from investing activities			
Purchase of tangible fixed assets	11	(2,566)	(7,276)
Cash flows from financing activities			
Repayment of loans and borrowings	16	<u>-</u>	<u>(50,000)</u>
Net (decrease)/increase in cash and cash equivalents		(38,350)	18,532
Cash and cash equivalents at 1 September		<u>138,775</u>	<u>120,243</u>
Cash and cash equivalents at 31 August		<u>100,425</u>	<u>138,775</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 28 form an integral part of these financial statements.

Safar Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income/(expenditure)		4,401	(33,898)
Adjustments to cash flows from non-cash items			
Depreciation	6, 8	<u>1,968</u>	<u>1,784</u>
		6,369	(32,114)
Working capital adjustments			
Decrease in debtors	14	14,383	72,897
Increase in creditors	16	<u>5,553</u>	<u>771</u>
Net cash flows from operating activities		26,305	41,554
Cash flows from investing activities			
Purchase of tangible fixed assets	11	<u>(2,566)</u>	<u>(7,276)</u>
Net increase in cash and cash equivalents		23,739	34,278
Cash and cash equivalents at 1 September		<u>48,560</u>	<u>14,282</u>
Cash and cash equivalents at 31 August		<u><u>72,299</u></u>	<u><u>48,560</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 28 form an integral part of these financial statements.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charity constitutes a public benefit entity as defined by FRS102.

Basis of preparation

Safar Academy Trust 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 notes.

Safar Academy Trust is an unincorporated charity based in England, United Kingdom and which operates from its principal office.

The accounts are prepared in the groups functional currency of British Pounds (£) and rounded to the nearest £1.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertaking drawn up to 31 August 2022. No statement of financial activities is presented for the parent charity as permitted. The parent charity made a profit for the financial year of £4,401 (2021 - loss of £33,898).

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The financial statements have been prepared on a going concern basis, as the trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group. The group made a small loss in the past 2 years which were due to one off software development costs in the subsidiary for the App that has been launched in 2023. Since the year end the group has returned to making net cash income and expect the group to continue to do so into the foreseeable future. Accordingly the financial statements have been prepared on a going concern basis.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

Charitable activities

Charitable income arises from tuition fees and is recognised when tuition has taken place and the charity is entitled to the income.

Other income

The subsidiary income arises from the sale of books and is recognised once the books are dispatched to the customer.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Government grants

Grants are recognised in the period to which they relate.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	20% straight line method

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

Research and development

Research and development expenditure is written off in the profit and loss account as incurred.

Business combinations

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the charity. All intra-group transactions, balances, income and expenses are eliminated on consolidation. In accordance with Section 35 of FRS 102, Section 19 of FRS 102 has not been applied in these financial statements in respect of business combinations effected prior to the date of transition.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Trade debtors and other debtors are measured at cost, less provision for impairment. A provision for the impairment of debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors and other creditors are obligations to pay for goods or services. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors and other creditors are recognised at cost.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Investments

Investments in subsidiaries and associates are measured at cost less impairment.

2 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations	57,563	57,563
Total for 2022	57,563	57,563
Total for 2021	50,112	50,112

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

3 Income from charitable activities

	Unrestricted funds General £	Total 2022 £
Tuition fees	396,942	396,942
	Unrestricted funds General £	Total 2021 £
Tuition fees	344,107	344,107

4 Income from other trading activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Sale of books	724,702	724,702	527,265
	<u>724,702</u>	<u>724,702</u>	<u>527,265</u>

5 Other income

	Unrestricted funds General £	Total funds £
Other income - grants	2,880	2,880
Total for 2022	<u>2,880</u>	<u>2,880</u>
Total for 2021	<u>55,357</u>	<u>55,357</u>

6 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		324,975	324,975
Total for 2022		<u>324,975</u>	<u>324,975</u>
Total for 2021		<u>237,592</u>	<u>237,592</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

7 Expenditure on charitable activities

		Unrestricted funds General £	Total 2022 £
Staff costs	Note 10	525,053	525,053
Allocated support costs (see below)		312,147	312,147
		<u>837,200</u>	<u>837,200</u>
		Unrestricted funds General £	Total 2021 £
Staff costs	Note 10	561,475	561,475
Allocated support costs (see below)		160,646	160,646
		<u>722,121</u>	<u>722,121</u>
Support Costs			
	Activity undertaken directly £	2022 £	2021 £
Rent payable	53,656	53,656	37,962
Computer, IT and development costs	157,132	157,132	71,476
Consultancy	101,359	101,359	51,208
	<u>312,147</u>	<u>312,147</u>	<u>160,646</u>

8 Other expenditure

		Unrestricted funds General £	Total 2022 £
Audit fees			
Audit of the financial statements		8,800	8,800
Other fees paid to auditors		11,415	11,415
Depreciation, amortisation and other similar costs		1,968	1,968
Other resources expended		48,522	48,522
		<u>70,705</u>	<u>70,705</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

	Unrestricted funds	Total
	General	2021
	£	£
Audit fees		
- Audit of the financial statements	0	0
- Other fees paid to auditors	9,626	9,626
Depreciation, amortisation and other similar costs	1,784	1,784
Other resources expended	39,616	39,616
	<u>51,026</u>	<u>51,026</u>

9 Trustees remuneration and expenses

During the year the group made the following transactions with trustees:

H Ali

H Ali received remuneration of £55,906 (2021: £42,000) during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	499,513	536,513
Social security costs	19,225	19,478
Pension costs	6,315	5,484
	<u>525,053</u>	<u>561,475</u>

The monthly average number of persons (including senior management / leadership team) employed by the group during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Administration	12	10
Teaching staff	78	74
	<u>90</u>	<u>84</u>

No employee received emoluments of more than £60,000 during the year.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

11 Tangible fixed assets

Group

	Furniture and equipment £	Total £
Cost		
At 1 September 2021	29,243	29,243
Additions	2,566	2,566
At 31 August 2022	31,809	31,809
Depreciation		
At 1 September 2021	20,824	20,824
Charge for the year	1,968	1,968
At 31 August 2022	22,792	22,792
Net book value		
At 31 August 2022	9,017	9,017
At 31 August 2021	8,419	8,419

Charity

	Furniture and equipment £	Total £
Cost		
At 1 September 2021	29,243	29,243
Additions	2,566	2,566
At 31 August 2022	31,809	31,809
Depreciation		
At 1 September 2021	20,824	20,824
Charge for the year	1,968	1,968
At 31 August 2022	22,792	22,792
Net book value		
At 31 August 2022	9,017	9,017
At 31 August 2021	8,419	8,419

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

12 Fixed asset investments

Charity

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 September 2021	100	100
At 31 August 2022	100	100
Net book value		
At 31 August 2022	100	100
At 31 August 2021	100	100

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2022	2021	
Subsidiary undertakings					
Safar Publications Limited	England	Ordinary shares	100%	100%	Sale of books

13 Stock

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Stocks	181,777	39,070	-	-

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

14 Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Due from group undertakings	-	-	162,685	177,159
Prepayments	26,389	60,365	-	-
VAT recoverable	8,926	2,294	-	-
Other debtors	22,329	20,128	8,889	8,798
	<u>57,644</u>	<u>82,787</u>	<u>171,574</u>	<u>185,957</u>

15 Cash and cash equivalents

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Cash at bank	<u>100,425</u>	<u>138,775</u>	<u>72,299</u>	<u>48,560</u>

16 Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	67,927	-	-	-
Other taxation and social security	6,856	6,575	984	6,575
Other creditors	75,775	28,858	2,507	2,843
Accruals	24,210	8,730	20,210	8,730
	<u>174,768</u>	<u>44,163</u>	<u>23,701</u>	<u>18,148</u>

17 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £6,315 (2021 - £5,484).

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

18 Funds

Group

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
Unrestricted funds				
General	<u>224,888</u>	<u>1,182,087</u>	<u>(1,227,869)</u>	<u>179,106</u>

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
Unrestricted funds				
General	<u>258,786</u>	<u>976,841</u>	<u>(1,010,739)</u>	<u>224,888</u>

Charity

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Balance at 31 August 2022 £
Unrestricted funds				
General	<u>224,888</u>	<u>457,385</u>	<u>(452,984)</u>	<u>229,289</u>

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
Unrestricted funds				
General	<u>258,786</u>	<u>611,494</u>	<u>(645,392)</u>	<u>224,888</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

19 Analysis of net assets between funds

Group

	Unrestricted funds General £	Total funds at 31 August 2022 £
Tangible fixed assets	9,017	9,017
Current assets	339,846	339,846
Current liabilities	(174,768)	(174,768)
Total net assets	<u>174,095</u>	<u>174,095</u>
	Unrestricted funds General £	Total funds at 31 August 2021 £
Tangible fixed assets	8,419	8,419
Current assets	260,632	260,632
Current liabilities	(44,163)	(44,163)
Total net assets	<u>224,888</u>	<u>224,888</u>

Charity

	Unrestricted funds General £	Total funds at 31 August 2022 £
Tangible fixed assets	9,017	9,017
Fixed asset investments	100	100
Current assets	243,873	243,873
Current liabilities	(23,701)	(23,701)
Total net assets	<u>229,289</u>	<u>229,289</u>
	Unrestricted funds General £	Total funds at 31 August 2021 £
Tangible fixed assets	8,419	8,419
Fixed asset investments	100	100
Current assets	234,517	234,517
Current liabilities	(18,148)	(18,148)
Total net assets	<u>224,888</u>	<u>224,888</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

20 Related party transactions

Other creditors of the group includes an amount of £60,000 (2021 - £Nil) owed to a related party.

Debtors for the parent charity includes an amount of £162,685 (2021 - £177,159) due from the subsidiary company.

Accounts

Charity registration number: 1125653

Safar Academy Trust

Annual Report and Financial Statements
for the Year Ended 31 August 2021

Safar Academy Trust

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Safar Academy Trust

Reference and Administrative Details

Trustees	H Ali
	M H Uddin
	M Baig
Charity Registration Number	1125653
Principal Office	37 Madeira Road
	London
	N13 5SR
Independent Examiner	Nicholas Antoniou
	NA Associates LLP
	First floor, Woodgate Studios
	2-8 Games Road
	Cockfosters
	Hertfordshire
Bankers	EN4 9HN
	HSBC
	1 Aldermans Hill
	Palmers Green
	London
	N13 5SR

Safar Academy Trust

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 August 2021.

Objectives and activities

Objects and aims

Our charity's purpose and aims are set out in the objects contained in the charity's Trust Deed are:

- 1 To advance the education of the public in Islamic education and pedagogy;
- 2 To provide grants, loans and other financial assistance to the poor and needy and institutions for education, welfare, religious needs and provide advice and assistance in obtaining the same;
- 3 To promote such other charitable purposes as may from time to time be determined.

The school aims to ensure that children are taught through a curriculum that is directed by the Word of Allah and the Sunnah of Muhammad (peace be upon him). They will learn to discover and evaluate the world around them from a Muslim perspective and, by means of a broad curriculum, they will be encouraged to use and develop their gifts in a God-conscious way. The objective is to provide a high quality Muslim education which will bring the best out of all the children and enable them to have confidence in the Muslim faith and to apply its principles to their lives. This philosophy is reflected in the curriculum, discipline and ethos of the school.

We achieve our charitable objectives by carrying out the following activities:-

- Dissemination of resources in Islamic education and pedagogy;
- Development of resources and providing support to schools that teach Islamic subjects;
- Running schools in the UK for children and adults teaching Islamic studies;
- Providing training to school staff;
- Help the needy people abroad who suffer from poverty and natural disasters.

Public benefit

The Charity works within the community to further the advance of education and provide grants or financial assistance to the poor and needy.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

The income for the charity fell from £714,443 in 2020 to £611,494 in 2021. This was due mainly to fewer donations received in the year due partly to the effects of the Covid-19 pandemic and the donation from the subsidiary. Due to this the charity made a loss of £33,898 compared to a loss of £22,533 in 2020. Income from tuition though increased from £305,800 to £344,107. At the year end the charity had net assets of £224,888 (2020 : £258,786).

The charity adapted to the restrictions brought on by the pandemic by using technology to continue to run the teaching activities and expects the results for 2022 to be improved. During the year the Charity received grants for the Job Retention Scheme for £55,357 (2020: £87,757) for the period when schooling ceased during the pandemic.

Policy on reserves

The finance is constantly reviewed by the committee and a reserve policy is established whereby the unrestricted funds not committed should be held in reserve and maintained at a level which ensures that Safar Academy Trust core activity could continue during a period of unforeseen difficulty. This policy is in development and the target amount represents at least six months expenditure. This will be reviewed annually.

Safar Academy Trust

Trustees' Report

Structure, governance and management

Nature of governing document

Safar Academy Trust is a small charitable organisation set up to advance Islamic education and relief poverty. Appointment and retirement of trustees is in accordance with the Trust Deed. The overall management of finance is the responsibility of all the Trustees acting on the recommendations of the Chairman, the Treasurer and the advice of the administrator/finance person. The Trustees form the Management Committee who meets regularly to oversee the running of the organisation and mitigating risk.

Recruitment and appointment of trustees

Trustees are recruited with regard to their skills, knowledge and experience needed for the effective administration of the Charity. Trustees are appointed by a resolution of the Trustees passed at a special meeting.

Induction and training of trustees

Trustees are fully briefed on their responsibilities prior to being appointed.

Arrangements for setting key management personnel remuneration

The key management personnel are the Trustees and should not benefit financially from their Trusteeship.

Organisational structure

The Trustees oversee the day to day running of the charity.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

The annual report was approved by the trustees of the charity on 27/06/22 and signed on its behalf by:


.....
M Baig
Trustee

Safar Academy Trust

Statement of Trustees' Responsibilities

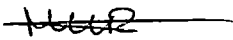
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 27/06/22 and signed on its behalf by:


.....
M Baig
Trustee

Safar Academy Trust

Independent Examiner's Report to the trustees of Safar Academy Trust

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

Responsibilities and basis of report

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

I report in respect of my examination of the Safar Academy Trust'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.

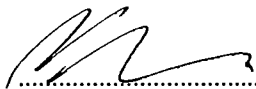
Independent examiner's statement

Since Safar Academy Trust'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 member of Chartered Certified Accountant, which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Safar Academy Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting 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.



Nicholas Antoniou FCCA
Chartered Certified Accountant

NA Associates LLP
Chartered Certified Accountants
First floor, Woodgate Studios
2-8 Games Road
Cockfosters
Hertfordshire
EN4 9HN

Date: 27 June 2022

Safar Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2021

	Note	Unrestricted £	2021 £
Income and Endowments from:			
Donations and legacies		212,030	212,030
Charitable activities		399,464	399,464
Total Income		611,494	611,494
Expenditure on:			
Charitable activities		(561,475)	(561,475)
Other expenditure		(83,917)	(83,917)
Total Expenditure		(645,392)	(645,392)
Net movement in funds		(33,898)	(33,898)
Reconciliation of funds			
Total funds brought forward		258,786	258,786
Total funds carried forward		224,888	224,888
	Note	Unrestricted £	2020 £
Income and Endowments from:			
Donations and legacies		320,886	320,886
Charitable activities		393,557	393,557
Total Income		714,443	714,443
Expenditure on:			
Charitable activities		(608,743)	(608,743)
Other expenditure		(128,233)	(128,233)
Total Expenditure		(736,976)	(736,976)
Net movement in funds		(22,533)	(22,533)
Reconciliation of funds			
Total funds brought forward		281,319	281,319
Total funds carried forward		258,786	258,786

All of the charity's activities derive from continuing operations during the above two periods.

Safar Academy Trust
(Registration number: 1125653)
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	6	8,419	2,927
Investments	7	<u>100</u>	<u>100</u>
		<u>8,519</u>	<u>3,027</u>
Current assets			
Debtors	8	185,957	258,854
Cash at bank and in hand	9	<u>48,560</u>	<u>14,282</u>
		234,517	273,136
Creditors: Amounts falling due within one year	10	<u>(18,148)</u>	<u>(17,377)</u>
Net current assets		<u>216,369</u>	<u>255,759</u>
Net assets		<u>224,888</u>	<u>258,786</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>224,888</u>	<u>258,786</u>
Total funds		<u>224,888</u>	<u>258,786</u>

The financial statements on pages 6 to 16 were approved by the trustees, and authorised for issue on 27/06/22 and signed on their behalf by:

.....
M Baig
Trustee

Safar Academy Trust

Cash Flow Statement for the Year Ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash expenditure		(33,898)	(22,533)
Adjustments to cash flows from non-cash items			
Depreciation		<u>1,784</u>	<u>1,464</u>
		(32,114)	(21,069)
Working capital adjustments			
Decrease in debtors	8	72,897	9,079
Increase in creditors	10	<u>771</u>	<u>1,951</u>
Net cash flows from operating activities		41,554	(10,039)
Cash flows from investing activities			
Purchase of tangible fixed assets	6	<u>(7,276)</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		34,278	(10,039)
Cash and cash equivalents at 1 September		<u>14,282</u>	<u>24,321</u>
Cash and cash equivalents at 31 August		<u><u>48,560</u></u>	<u><u>14,282</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Safar Academy Trust 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 notes. Safar Academy Trust is an unincorporated charity, based in England, United Kingdom and which operates from its principal office as disclosed on page 1.

The accounts represent the individual charity financial statements and not that of the group.

The accounts are prepared in the charity's functional currency of British Pounds (£) and rounded to the nearest £1.

Group accounts not prepared

The Charity has not prepared group accounts as the group is a small group.

Going concern

During the previous and current year the worldwide Covid-19 pandemic affected the Charity by reducing the amount of donations received and limiting the teaching of students. However the Charity has adapted its working practices for online learning and continues to have a strong balance sheet. Therefore the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Income from tuition fees is recognised when the tuition has taken place and the charity is entitled to the income.

Donations and legacies

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable

Grants receivable are from the government for the Job Retention Scheme and are accounted for in the period to which they payroll costs relate.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	20% Straight line method

Trade debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Creditors with no stated interest rate and payables within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Investments

Investments in subsidiaries and associates are measured at cost less impairment.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

2 Income

	Other funds £	Total 2021 £	Total 2020 £
Appeals and donations	50,112	50,112	66,060
Tuition fees	344,107	344,107	305,800
Donations from subsidiary	161,918	161,918	254,826
Government grants	55,357	55,357	87,757
	<u>611,494</u>	<u>611,494</u>	<u>714,443</u>

3 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

H Ali

H Ali received remuneration of £42,000 (2020: £42,000) during the year.

No other trustees have received any reimbursed expenses or any other benefits from the charity during the year.

4 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	536,513	549,124
Social security costs	19,478	22,603
Pension costs	5,484	5,207
	<u>561,475</u>	<u>576,934</u>

The monthly average number of persons (including senior management team) employed by the charity during the year:

	2021 No	2020 No
Employees	<u>84</u>	<u>88</u>

No employee received emoluments of more than £60,000 during the year (2020 - no employees).

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

5 Taxation

The charity is a registered charity and is therefore exempt from taxation.

6 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 September 2020	21,967	21,967
Additions	<u>7,276</u>	<u>7,276</u>
At 31 August 2021	<u>29,243</u>	<u>29,243</u>
Depreciation		
At 1 September 2020	19,040	19,040
Charge for the year	<u>1,784</u>	<u>1,784</u>
At 31 August 2021	<u>20,824</u>	<u>20,824</u>
Net book value		
At 31 August 2021	<u>8,419</u>	<u>8,419</u>
At 31 August 2020	<u>2,927</u>	<u>2,927</u>

7 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	<u>100</u>	<u>100</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 September 2020	100	100
At 31 August 2021	100	100
Net book value		
At 31 August 2021	100	100
At 31 August 2020	100	100

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2021	2020	
Subsidiary undertakings					
Safar Publications Limited	United Kingdom	Ordinary shares	100%	100%	Sale of books

8 Debtors

	2021 £	2020 £
Due from group undertakings	177,159	220,729
Other debtors	8,798	38,125
	<u>185,957</u>	<u>258,854</u>

9 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	<u>48,560</u>	<u>14,282</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	6,575	8,256
Other creditors	2,843	-
Accruals	8,730	9,121
	<u>18,148</u>	<u>17,377</u>

11 Commitments

Other financial commitments

The charity has financial commitments for rent payable.

The total amount of other financial commitments not provided in the financial statements was £5,300 (2020 - £15,500).

12 Analysis of net assets between funds

	Unrestricted General £	Total funds 2021 £
Tangible fixed assets	8,419	8,419
Fixed asset investments	100	100
Current assets	234,517	234,517
Current liabilities	(18,148)	(18,148)
Total net assets	<u>224,888</u>	<u>224,888</u>

All funds are unrestricted.

	Unrestricted General £	Total funds 2020 £
Tangible fixed assets	2,927	2,927
Fixed asset investments	100	100
Current assets	273,136	273,136
Current liabilities	(17,377)	(17,377)
Total net assets	<u>258,786</u>	<u>258,786</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

13 Related party transactions

During the year the charity made the following related party transactions:

Safar Publications Limited

(Donations includes an amount of £161,918 (2020 - £254,826) received from the subsidiary. Debtors includes an amount of £177,159 (2020 - £220,729) receivable from the subsidiary.)

Safar Academy Trust

Statement of Financial Activities by fund for the Year Ended 31 August 2021

	Total Unrestricted 2021 £	Total Unrestricted 2020 £
Income and Endowments from:		
Donations and legacies	212,030	320,886
Charitable activities	<u>399,464</u>	<u>393,557</u>
Total income	<u>611,494</u>	<u>714,443</u>
Expenditure on:		
Charitable activities	(561,475)	(608,743)
Other expenditure	<u>(83,917)</u>	<u>(128,233)</u>
Total expenditure	<u>(645,392)</u>	<u>(736,976)</u>
Net expenditure	<u>(33,898)</u>	<u>(22,533)</u>
Net movement in funds	(33,898)	(22,533)
Reconciliation of funds		
Total funds brought forward	<u>258,786</u>	<u>281,319</u>
Total funds carried forward	<u><u>224,888</u></u>	<u><u>258,786</u></u>

Safar Academy Trust

Detailed Statement of Financial Activities for the Year Ended 31 August 2021

	Total 2021 £	Total 2020 £
Income and Endowments from:		
Donations and legacies (analysed below)	212,030	320,886
Charitable activities (analysed below)	<u>399,464</u>	<u>393,557</u>
Total income	<u>611,494</u>	<u>714,443</u>
Expenditure on:		
Charitable activities (analysed below)	(561,475)	(608,743)
Other expenditure (analysed below)	<u>(83,917)</u>	<u>(128,233)</u>
Total expenditure	<u>(645,392)</u>	<u>(736,976)</u>
Net expenditure	<u>(33,898)</u>	<u>(22,533)</u>
Net movement in funds	(33,898)	(22,533)
Reconciliation of funds		
Total funds brought forward	<u>258,786</u>	<u>281,319</u>
Total funds carried forward	<u><u>224,888</u></u>	<u><u>258,786</u></u>

This page does not form part of the statutory financial statements.

Safar Academy Trust

Detailed Statement of Financial Activities for the Year Ended 31 August 2021

	Total 2021 £	Total 2020 £
<i>Donations and legacies</i>		
Appeals and donations	212,030	320,886
	<u>212,030</u>	<u>320,886</u>
<i>Charitable activities</i>		
Services and fees	344,107	305,800
Grants receivable	55,357	87,757
	<u>399,464</u>	<u>393,557</u>
<i>Charitable activities</i>		
Wages and salaries	536,513	549,124
Staff NIC (Employers)	19,478	22,603
Staff pensions (Defined contribution)	5,484	5,207
Trips & Travelling	-	16,351
Donations	-	15,458
	<u>561,475</u>	<u>608,743</u>
<i>Other expenditure</i>		
Rent	34,172	41,266
Insurance	1,189	1,290
Repairs and maintenance	1,942	-
Telephone and fax	1,113	1,228
Computer software and maintenance costs	7,171	-
Printing, postage and stationery	3,767	4,738
Sundry expenses	769	2,963
Accountancy fees	9,200	9,092
Accountancy prior years	426	9,299
Independent examiner's fee	1,300	1,300
Consultancy and professional fees	18,802	54,490
Bank charges	1,423	1,103
Other interest payable	859	-
Depreciation of fixtures and fittings	1,784	1,464
	<u>83,917</u>	<u>128,233</u>

Accounts

Charity registration number: 1125653

Safar Academy Trust

Annual Report and Financial Statements

for the Year Ended 31 August 2020

Safar Academy Trust

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Notes to the Financial Statements	9 to 15

Safar Academy Trust

Reference and Administrative Details

Trustees	H Ali
	M H Uddin
	U Baig
Principal Office	37 Madeira Road London N13 5SR
Charity Registration Number	1125653
Bankers	HSBC
	1 Aldermans Hill
	Palmers Green
	London N13 5SR
Independent Examiner	Nicholas Antoniou
	NA Associates LLP
	First floor, Woodgate Studios
	2-8 Games Road
	Cockfosters
	Hertfordshire EN4 9HN

Safar Academy Trust

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 August 2020.

Objectives and activities

Objects and aims

Our charity's purpose and aims are set out in the objects contained in the charity's Trust Deed are:

- 1 To advance the education of the public in Islamic education and pedagogy;
- 2 To provide grants, loans and other financial assistance to the poor and needy and institutions for education, welfare, religious needs and provide advice and assistance in obtaining the same;
- 3 To promote such other charitable purposes as may from time to time be determined.

The school aims to ensure that children are taught through a curriculum that is directed by the Word of Allah and the Sunnah of Muhammad (peace be upon him). They will learn to discover and evaluate the world around them from a Muslim perspective and, by means of a broad curriculum, they will be encouraged to use and develop their gifts in a God-conscious way. The objective is to provide a high quality Muslim education which will bring the best out of all the children and enable them to have confidence in the Muslim faith and to apply its principles to their lives. This philosophy is reflected in the curriculum, discipline and ethos of the school.

We achieve our charitable objectives by carrying out the following activities:-

- Dissemination of resources in Islamic education and pedagogy;
- Development of resources and providing support to schools that teach Islamic subjects;
- Running schools in the UK for children and adults teaching Islamic studies;
- Providing training to school staff;
- Help the needy people abroad who suffer from poverty and natural disasters.

Public benefit

The Charity works within the community to further the advance of education and provide grants or financial assistance to the poor and needy.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

The income for the charity fell from £765,350 in 2019 to £626,686 in 2020. This was due to the effects of the Covid-19 pandemic on both reducing the donations received and the tuition fees during the initial lockdown. Due to this the charity made a loss of £22,533 compared to a profit of £71,356 in 2019. At the year end the charity had net assets of £258,726 (2019 : £281,319).

The charity has adapted to the restrictions brought on by the pandemic by using technology to continue to run the teaching activities and expects the results for 2021 to be improved. During the year the Charity received grants for the Job Retention Scheme for £87,757 (2019: £Nil) for the period when schooling ceased during the pandemic.

Policy on reserves

The finance is constantly reviewed by the committee and a reserve policy is established whereby the unrestricted funds not committed should be held in reserve and maintained at a level which ensures that Safar Academy Trust core activity could continue during a period of unforeseen difficulty. This policy is in early stages of development and the target amount represents at least six months expenditure. This will be reviewed annually.

Safar Academy Trust

Trustees' Report

Structure, governance and management

Nature of governing document

Safar Academy Trust is a small charitable organisation set up to advance Islamic education and relief poverty. Appointment and retirement of trustees is in accordance with the Trust Deed. The overall management of finance is the responsibility of all the Trustees acting on the recommendations of the Chairman, the Treasurer and the advice of the administrator/finance person. The Trustees form the Management Committee who meets regularly to oversee the running of the organisation and mitigating risk.

Recruitment and appointment of trustees

Trustees are recruited with regard to their skills, knowledge and experience needed for the effective administration of the Charity. Trustees are appointed by a resolution of the Trustees passed at a special meeting.

Induction and training of trustees

Trustees are fully briefed on their responsibilities prior to being appointed.

Arrangements for setting key management personnel remuneration

The key management personnel are the Trustees and should not benefit financially from their Trusteeship.

Organisational structure

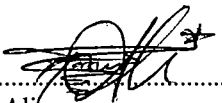
The Trustees oversee the day to day running of the charity.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

The annual report was approved by the trustees of the charity on 25.6.21.. and signed on its behalf by:


.....
H Ali
Trustee

Safar Academy Trust

Statement of Trustees' Responsibilities

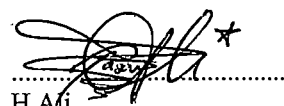
The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 25.6.21 and signed on its behalf by:



H Ali
Trustee

Safar Academy Trust

Independent Examiner's Report to the trustees of Safar Academy Trust

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2020 which are set out on pages 6 to 15.

Respective responsibilities of trustees and examiner

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

I report in respect of my examination of the Safar Academy Trust'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 examiner's statement

Since Safar Academy Trust'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 member of, which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Safar Academy Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting 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.



Nicholas Antoniou FCCA

NA Associates LLP
Chartered Certified Accountants
First floor, Woodgate Studios
2-8 Games Road
Cockfosters
Hertfordshire
EN4 9HN

Date: 25 June 2021

Safar Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2020

	Note	Unrestricted £	2020 £
Income and Endowments from:			
Donations and legacies		320,886	320,886
Charitable activities		<u>393,557</u>	<u>393,557</u>
Total Income		<u>714,443</u>	<u>714,443</u>
Expenditure on:			
Charitable activities		(608,743)	(608,743)
Other expenditure		<u>(128,233)</u>	<u>(128,233)</u>
Total Expenditure		<u>(736,976)</u>	<u>(736,976)</u>
Net movement in funds		(22,533)	(22,533)
Reconciliation of funds			
Total funds brought forward		<u>281,319</u>	<u>281,319</u>
Total funds carried forward		<u><u>258,786</u></u>	<u><u>258,786</u></u>
	Note	Unrestricted £	2019 £
Income and Endowments from:			
Donations and legacies		421,678	421,678
Charitable activities		<u>343,672</u>	<u>343,672</u>
Total Income		<u>765,350</u>	<u>765,350</u>
Expenditure on:			
Charitable activities		(532,365)	(532,365)
Other expenditure		<u>(161,629)</u>	<u>(161,629)</u>
Total Expenditure		<u>(693,994)</u>	<u>(693,994)</u>
Net movement in funds		71,356	71,356
Reconciliation of funds			
Total funds brought forward		<u>209,963</u>	<u>209,963</u>
Total funds carried forward		<u><u>281,319</u></u>	<u><u>281,319</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

Safar Academy Trust
(Registration number: 1125653)
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	6	2,927	4,391
Investments	7	<u>100</u>	<u>100</u>
		<u>3,027</u>	<u>4,491</u>
Current assets			
Debtors	8	258,854	267,933
Cash at bank and in hand	9	<u>14,282</u>	<u>24,321</u>
		273,136	292,254
Creditors: Amounts falling due within one year	10	<u>(17,377)</u>	<u>(15,426)</u>
Net current assets		<u>255,759</u>	<u>276,828</u>
Net assets		<u>258,786</u>	<u>281,319</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>258,786</u>	<u>281,319</u>
Total funds		<u>258,786</u>	<u>281,319</u>

The financial statements on pages 6 to 15 were approved by the trustees, and authorised for issue on ~~25-9-20~~ and signed on their behalf by:



 H Ali
 Trustee

Safar Academy Trust

Cash Flow Statement for the Year Ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (expenditure)/income		(22,533)	71,356
Adjustments to cash flows from non-cash items			
Depreciation		<u>1,464</u>	<u>1,464</u>
		(21,069)	72,820
Working capital adjustments			
Decrease/(increase) in debtors	8	9,079	(44,834)
Increase in creditors	10	<u>1,951</u>	<u>5,973</u>
Net cash flows from operating activities		(10,039)	33,959
Cash flows from financing activities			
Advance/(Repayment) of loans and borrowings	10	<u>-</u>	<u>(52,002)</u>
Net decrease in cash and cash equivalents		(10,039)	(18,043)
Cash and cash equivalents at 1 September		<u>24,321</u>	<u>42,364</u>
Cash and cash equivalents at 31 August		<u><u>14,282</u></u>	<u><u>24,321</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1 Accounting policies

Statement of compliance

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 Charities Act 2011.

Basis of preparation

Safar Academy Trust 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 notes. Safar Academy Trust is an unincorporated charity, based in England, United Kingdom and which operates from its principal office as disclosed on page 1.

The accounts represent the individual charity financial statements and not that of the group.

The accounts are prepared in the charity's functional currency of British Pounds (£) and rounded to the nearest £1.

Group accounts not prepared

The Charity has not prepared group accounts as the group is a small group.

Going concern

During the year the worldwide Covid-19 pandemic affected the Charity by reducing the amount of donations received and limiting the teaching of students. However the Charity has adapted its working practices for online learning and continues to have a strong balance sheet. Therefore the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Income from tuition fees is recognised when the tuition has taken place and the charity is entitled to the income.

Donations and legacies

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Grants receivable

Grants receivable are from the government for the Job Retention Scheme and are accounted for in the period to which they payroll costs relate.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	20% Straight line method

Trade debtors

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Creditors with no stated interest rate and payables within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Investments

Investments in subsidiaries and associates are measured at cost less impairment.

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

2 Income

	Other funds £	Total 2020 £	Total 2019 £
Appeals and donations	66,060	66,060	161,990
Tuition fees	305,800	305,800	343,672
Donation from subsidiary	254,826	254,826	259,688
Government grants	87,757	87,757	87,757
	<u>714,443</u>	<u>714,443</u>	<u>853,107</u>

3 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

H Ali

H Ali received remuneration of £42,000 (2019: £42,000) during the year.

No other trustees have received any reimbursed expenses or any other benefits from the charity during the year.

4 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	549,124	473,746
Social security costs	22,603	18,456
Pension costs	5,207	3,419
	<u>576,934</u>	<u>495,621</u>

The monthly average number of persons (including senior management team) employed by the charity during the year:

	2020 No	2019 No
Employees	<u>88</u>	<u>84</u>

No employee received emoluments of more than £60,000 during the year (2019 - no employees).

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

5 Taxation

The charity is a registered charity and is therefore exempt from taxation.

6 Tangible fixed assets

	Furniture and equipment £	Total £
Cost		
At 1 September 2019	21,967	21,967
At 31 August 2020	21,967	21,967
Depreciation		
At 1 September 2019	17,576	17,576
Charge for the year	1,464	1,464
At 31 August 2020	19,040	19,040
Net book value		
At 31 August 2020	2,927	2,927
At 31 August 2019	4,391	4,391

7 Fixed asset investments

	2020 £	2019 £
Shares in group undertakings and participating interests	100	100

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 September 2019	100	100
At 31 August 2020	100	100
Net book value		
At 31 August 2020	100	100
At 31 August 2019	100	100

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2020	2019	
Subsidiary undertakings					
Safar Publications Limited	United Kingdom	Ordinary shares	100%	100%	Sale of books

8 Debtors

	2020 £	2019 £
Due from group undertakings	220,729	259,455
Other debtors	38,125	8,478
	<u>258,854</u>	<u>267,933</u>

9 Cash and cash equivalents

	2020 £	2019 £
Cash at bank	<u>14,282</u>	<u>24,321</u>

Safar Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

10 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	8,256	-
Accruals	9,121	15,426
	<u>17,377</u>	<u>15,426</u>

11 Commitments

Other financial commitments

The charity has financial commitments for rent payable.

The total amount of other financial commitments not provided in the financial statements was £15,500 (2019 - £46,000).

12 Analysis of net assets between funds

	Total funds 2020 £
Tangible fixed assets	2,927
Fixed asset investments	100
Current assets	273,136
Current liabilities	<u>(17,377)</u>
Total net assets	<u>258,786</u>

All funds are unrestricted.

	Total funds 2019 £
Tangible fixed assets	4,491
Fixed asset investments	100
Current assets	292,254
Current liabilities	<u>(15,426)</u>
Total net assets	<u>281,419</u>

All funds are unrestricted.

13 Related party transactions

During the year the charity made the following related party transactions:

Safar Publications Limited

(Donations includes an amount of £254,826 (2019 - £259,688) received from the subsidiary. Debtors includes an amount of £220,729 (2019 - £259,454) receivable from the subsidiary.)

Safar Academy Trust

Statement of Financial Activities by fund for the Year Ended 31 August 2020

	Total Unrestricted 2020 £	(As restated) Total Unrestricted 2019 £
Income and Endowments from:		
Donations and legacies	320,886	421,678
Charitable activities	<u>393,557</u>	<u>343,672</u>
Total income	<u>714,443</u>	<u>765,350</u>
Expenditure on:		
Charitable activities	(608,743)	(532,365)
Other expenditure	<u>(128,233)</u>	<u>(161,629)</u>
Total expenditure	<u>(736,976)</u>	<u>(693,994)</u>
Net (expenditure)/income	<u>(22,533)</u>	<u>71,356</u>
Net movement in funds	(22,533)	71,356
Reconciliation of funds		
Total funds brought forward	<u>281,319</u>	<u>209,963</u>
Total funds carried forward	<u><u>258,786</u></u>	<u><u>281,319</u></u>

Safar Academy Trust

Detailed Statement of Financial Activities for the Year Ended 31 August 2020

	Total 2020 £	Total 2019 £
Income and Endowments from:		
Donations and legacies (analysed below)	320,886	421,678
Charitable activities (analysed below)	<u>393,557</u>	<u>343,672</u>
Total income	<u>714,443</u>	<u>765,350</u>
Expenditure on:		
Charitable activities (analysed below)	(608,743)	(532,365)
Other expenditure (analysed below)	<u>(128,233)</u>	<u>(161,629)</u>
Total expenditure	<u>(736,976)</u>	<u>(693,994)</u>
Net (expenditure)/income	<u>(22,533)</u>	<u>71,356</u>
Net movement in funds	(22,533)	71,356
Reconciliation of funds		
Total funds brought forward	<u>281,319</u>	<u>209,963</u>
Total funds carried forward	<u><u>258,786</u></u>	<u><u>281,319</u></u>

Safar Academy Trust

Detailed Statement of Financial Activities for the Year Ended 31 August 2020

	Total 2020 £	Total 2019 £
<i>Donations and legacies</i>		
Appeals and donations	320,886	421,678
	<u>320,886</u>	<u>421,678</u>
<i>Charitable activities</i>		
Services and fees	305,800	343,672
Grants receivable	87,757	-
	<u>393,557</u>	<u>343,672</u>
<i>Charitable activities</i>		
Wages and salaries	549,124	473,746
Staff NIC (Employers)	22,603	18,456
Staff pensions (Defined contribution)	5,207	3,419
Trips & Travelling	16,351	21,222
Donations	15,458	15,522
	<u>608,743</u>	<u>532,365</u>
<i>Other expenditure</i>		
Rent	41,266	56,724
Insurance	1,290	1,272
Telephone and fax	1,228	1,362
Printing, postage and stationery	4,738	3,367
Sundry expenses	2,963	9,993
Accountancy fees	9,092	3,212
Accountancy prior years	9,299	-
Independent examiner's fee	1,300	1,300
Consultancy and professional fees	54,490	80,403
Bank charges	1,103	2,532
Depreciation of fixtures and fittings	1,464	1,464
	<u>128,233</u>	<u>161,629</u>