

REGISTERED COMPANY NUMBER: 06471324 (England and Wales)  
REGISTERED CHARITY NUMBER: 1125851

REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022  
FOR  
THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION  
(A COMPANY LIMITED BY GUARANTEE)

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

	<b>Page</b>
Reference and Administrative Details	1
Report of the Trustees	2 to 5
Statement of Trustees' Responsibilities	6
Report of the Independent Auditors	7 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 23
Detailed Statement of Financial Activities	24 to 25

---

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

<b>TRUSTEES</b>	Mr F S Murad Prof K Ahmad Dr S M Ahmad Dr M Ahsan Dr M Ruby Mr M T Abdullah Dr M M Ally (appointed 1.6.22)
<b>REGISTERED OFFICE</b>	Ratby Lane Markfield Leicester Leicestershire LE67 9SY
<b>REGISTERED COMPANY NUMBER</b>	06471324 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1125851
<b>AUDITORS</b>	Fortus Audit LLP Chartered Accountants & Statutory Auditor 31 High View Close Hamilton Office Park Leicester Leicestershire LE4 9LJ
<b>BANKERS</b>	Barclays Bank UK Plc Leicester Town Hall Square Leicester LE87 2BB

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The Markfield Institute of Higher Education (MIHE) was established in September 2000, with the objective of conducting research, providing professional development courses, and validated higher educational programmes in Islamic subjects.

The Institute, like other universities, is regulated by the Office for Students since registering with it in March 2019. It is accredited by the British Accreditation Council (BAC) and reviewed by the Quality Assurance Agency for Higher Education. MIHE also holds a UKVI Student Route (Tier 4) and Skilled Worker (Tier 2) Sponsor Status to recruit students from overseas as well as staff.

**Significant activities**

The Institute offers undergraduate and postgraduate programmes, validated by Newman University, in Islamic Studies, Islamic Education, Islamic Banking and Finance, Islam and Sustainable Development, and Islam and Pastoral Care/Chaplaincy. Its key activities include teaching and learning, research and scholarly activities, and community engagement activities. These activities are aimed to equip students with knowledge and academic skills that would enable them to become specialists, pursue professional careers, as well becoming responsible citizens, who can make a valuable social and economic contribution to society. During 2021-22 academic year, 78 students graduated from the Institute from its different courses. In addition, the Institute delivered a number of short executive programmes and research seminars.

**Public benefit**

The Institute, through its governing body, the Board of Directors, is aware of its responsibilities as a charity to act for the public benefit across all of its activities and has had due regard to the latest version of the Charity Commission's public benefit guidance. The Institute endeavours to advance education and knowledge in Islamic disciplines through learning and teaching, scholarship and research for the benefit of individuals and society. It contributes to the development of professionals and scholars who have a broader, deeper and critical understanding of Islam in the contemporary world. Such scholars would be better equipped to promote understanding and social cohesion amongst the diverse communities in society, and analyse theological, social, economic and educational problems faced by contemporary societies and offer creative solutions to address these.

To develop competent graduates, the Institute combines the richness and high standards of traditional and contemporary Islamic scholarship with contemporary cutting-edge research methods, academic rigour and critical analysis. We strive to ensure that our graduates leave with mastery of a discipline, critical thinking, conceptual reasoning and analytical skills, as well as advanced written and verbal communication skills, and a personal commitment to ethical and professional principles and standards.

We are committed to being an open higher education institution that proactively seeks out people capable of benefiting from higher education, minimises barriers to their participation and contributes to the expansion of higher education opportunities, nationally and internationally. The Institute provided a limited number of scholarships and bursaries to help those students with a track record of outstanding academic performance and a strong sense of purpose, or to help those students who might not be able to enter into higher education without such financial support.

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**STRATEGIC REPORT**

**Achievement and performance**

**Engagement with staff**

During 2022, the Institute employed five female and eight male staff members from diverse backgrounds. Staff engagement, contribution and development is valued and seen as important in the delivery of our strategy. We are committed to professional values and endeavour to create an inclusive culture, where all staff are able to contribute to the development of the Institute and are supported in their work. All staff are engaged in regular consultations related to strategy and operational matters. Through a range of committees and communication methods, staff provide input into shaping the priorities and direction of the Institute. Relevant staff development and training is encouraged to ensure effective performance, quality of teaching and operations, and the maintenance of academic and administrative standards. Staff development opportunities are provided through a number of in-house staff training sessions during the year, as well as support staff in taking development and training courses with external bodies. Academic staff are allocated time in their workload models to engage in scholarly and research activities.

**Engagement with students**

Our students are a valued part of our community, and we are committed to ensuring that they have the best learning experience possible while studying with us. Students are supported in their academic work through a number of methods, and provided access to a range of services including welfare services to assist them in their everyday issues while studying at the Institute. Their feedback at the module, course and institution-wide levels are captured through a range of methods, which facilitate ongoing enhancements and changes. The Students' Council coordinates and represents the students' voice at the Academic Board. Our students appear to be satisfied with the education they are receiving and with the learning environment provided by the Institute. We obtained highly positive feedback from our students via the National Students' Survey (NSS) in 2022. Cited below are the key results from the 2022 NSS report for the Markfield Institute.

- \* 93.4% were satisfied with the teaching of their programme
- \* 94.1% were satisfied with the learning opportunities provided
- \* 83.8% were satisfied with their assessments and feedback obtained
- \* 92.1% were satisfied with the academic support provided
- \* 89.2% were satisfied with the organisation and management of their course
- \* 80.9% were satisfied with the learning resources provided to support their studies
- \* 91.2% were satisfied with being part of a learning community
- \* 97% of students that responded agreed with the statement "Overall, I am satisfied with the quality of the course"

**Financial review**

**Financial position**

This financial year the organisation has recorded an 'in year' deficit in unrestricted funds of £80,819 (2021: surplus of £363,813) and a surplus in restricted funds of £10,000 (2021 - £nil). During the year a provision of £232,550 was made in respect of courses paid in advance, and a prior year adjustment included to give the equivalent year end adjustment for 2021. During 2021, there was a donation of a property from Long Ditton Trust valued at £250,000 and large donation of £91,000 from Long Ditton Trust.

**Reserves policy**

The charity had unrestricted reserves of £93,109 as at 31 December 2022. The charity does not hold any free reserves. The charity's reserves policy aims to accumulate free reserves equivalent to three months of running costs over the next five years. The trustees have two purposes for the accumulation of operating reserves:

1. To finance the development of new or existing services.
2. To enable the organisation to be wound up if necessary.

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

During 2019-20 academic year, a governance review of the Institute with the help of an external consultant was completed. This review resulted in making minor changes to the academic governance committee structure, and these have been reflected in the Bye-laws and in the terms of reference of the Management Board, Academic Board and academic committee structures.

**Recruitment and appointment of new trustees**

The Board of Trustees is responsible for the recruitment of new trustees. In seeking new trustees, the Institute identifies experienced individuals in the education, legal, charity and/or religious education sector and/or people with a tested track record of business management or public/community services.

**Organisational structure**

The Board of Trustees is responsible for approving the strategy, budget, academic plans, quality assurance and Prevent Duty plans and annual reports, and has oversight of all aspects of the Institute's academic operations. The Board approves the appointment of the Academic Board, Finance and HR Committee, and the Management Board to manage the affairs of the Charity. The Board meets three times a year to consider the performance of the charity and respond to emerging issues and risks. The Rector is accountable to the Board and is responsible for implementing the decisions of the Board of Trustees.

**Induction and training of new trustees**

Trustees are introduced to their new role upon appointment. The resources available at the Charity Commission's website are introduced so that they can familiarise with their duties and responsibilities.

**Key management remuneration**

The Board or Trustees is responsible for setting the remuneration package of the Rector, Dr Zahid Parvez. The remuneration package is reviewed annually.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The OfS requires the Institute to produce a Student Protect Plan that highlights key risks facing the Institute and mitigation measures. This plan is available on our website and highlights the following eight risks and the measures we have put in place to mitigate these.

- \* Withdrawal or non-renewal of validation
- \* Designation withdrawal, suspension or not successfully renewed (which allows students from England to apply for tuition fees and maintenance loans)
- \* Change of programme content and policies
- \* Closure of an individual programme
- \* Removal of Students Route (Tier 4) Sponsor Licence (which would affect international students)
- \* Closure/change of current location
- \* Key staff leaving
- \* Continuing operations in face of pandemics and natural disasters
- \* Closure of the Institute

The Institute's principle asset is amounts receivable from students. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The Institute has no significant concentration of credit risk with exposure spread over a large number of carefully selected students.

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The auditors, Fortus Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on .....16/5/2023..... and signed on the board's behalf by:



.....  
Mr F S Murad - Trustee



.....  
Dr Z Parvez - Accountable Officer

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

The trustees (who are also the directors of The Markfield Institute of Higher Education for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

---

**Opinion**

We have audited the financial statements of The Markfield Institute of Higher Education (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006
- comply with the requirements of the Office for Students Accounts Direction.

**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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

---

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in relation to the Office for Students requirement for us to report on where, the Institute's grant and fee income, as disclosed in the note to the accounts, has been materially misstated.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

---

**Our responsibilities for the audit of the financial statements**

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK GAAP and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

We understood how the charitable company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assess the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the charitable company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Buckby FCA (Senior Statutory Auditor)  
for and on behalf of Fortus Audit LLP  
Chartered Accountants & Statutory Auditor  
31 High View Close  
Hamilton Office Park  
Leicester  
Leicestershire  
LE4 9LJ

Date: 22/5/2023

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	Unrestricted fund £	Restricted fund £	2022 Total funds £	2021 Total funds as restated £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	103,036	12,000	115,036	427,075
<b>Charitable activities</b>	5				
Course fees		500,523	-	500,523	600,366
Other trading activities	3	3,017	-	3,017	1,797
Investment income	4	11,744	-	11,744	3,845
<b>Total</b>		<u>618,320</u>	<u>12,000</u>	<u>630,320</u>	<u>1,033,083</u>
<b>EXPENDITURE ON</b>					
Charitable Activities	6	505,120	2,000	507,120	433,197
<b>Charitable activities</b>	7				
Premises costs		62,738	-	62,738	53,277
Administration costs		123,781	-	123,781	164,063
Governance costs		7,500	-	7,500	5,400
<b>Total</b>		<u>699,139</u>	<u>2,000</u>	<u>701,139</u>	<u>655,937</u>
<b>NET INCOME/(EXPENDITURE)</b>		(80,819)	10,000	(70,819)	377,146
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>					
As previously reported		395,595	142,205	537,800	173,987
Prior year adjustment	13	(221,667)	-	(221,667)	(235,000)
<b>As restated</b>		<u>173,928</u>	<u>142,205</u>	<u>316,133</u>	<u>(61,013)</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>93,109</u>	<u>152,205</u>	<u>245,314</u>	<u>316,133</u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.


The notes form part of these financial statements

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION (REGISTERED NUMBER: 06471324)**

**BALANCE SHEET  
31 DECEMBER 2022**

	Notes	2022 £	2021 as restated £
<b>FIXED ASSETS</b>			
Tangible assets	14	1,102	57
Investment property	15	<u>250,000</u>	<u>250,000</u>
		251,102	250,057
<b>CURRENT ASSETS</b>			
Debtors	16	227,315	346,209
Cash at bank and in hand		<u>164,316</u>	<u>96,786</u>
		391,631	442,995
<b>CREDITORS</b>			
Amounts falling due within one year	17	(397,419)	(376,919)
<b>NET CURRENT ASSETS</b>		<u>(5,788)</u>	<u>66,076</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		245,314	316,133
<b>NET ASSETS/(LIABILITIES)</b>		<u>245,314</u>	<u>316,133</u>
<b>FUNDS</b>	19		
Unrestricted funds		93,109	173,928
Restricted funds		<u>152,205</u>	<u>142,205</u>
<b>TOTAL FUNDS</b>		<u>245,314</u>	<u>316,133</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 16/5/2023 and were signed on its behalf by:



Mr F S Murad – Trustee



Dr Z Parvez – Accountable Officer

The notes form part of these financial statements

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022	2021 as restated
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	68,869	255,948
Net cash provided by operating activities		<u>68,869</u>	<u>255,948</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(1,339)	-
Purchase of investment property		-	(250,000)
Net cash used in investing activities		<u>(1,339)</u>	<u>(250,000)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		-	(42,000)
Net cash provided by/(used in) financing activities		<u>-</u>	<u>(42,000)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>67,530</u>	<u>(36,052)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>96,786</u>	<u>132,838</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>164,316</u></u>	<u><u>96,786</u></u>

The notes form part of these financial statements

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
	2022	2021 as restated	
	£	£	
<b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b>	(70,819)	377,146	
<b>Adjustments for:</b>			
Depreciation charges	294	28	
Decrease/(increase) in debtors	118,894	(35,675)	
Increase/(decrease) in creditors	20,500	(85,551)	
<b>Net cash provided by operations</b>	<u>68,869</u>	<u>255,948</u>	
 <b>2. ANALYSIS OF CHANGES IN NET FUNDS</b>			
	At 1.1.22 £	Cash flow £	At 31.12.22 £
<b>Net cash</b>			
Cash at bank and in hand	96,786	67,530	164,316
	<u>96,786</u>	<u>67,530</u>	<u>164,316</u>
<b>Total</b>	<u>96,786</u>	<u>67,530</u>	<u>164,316</u>

The notes form part of these financial statements

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Going concern**

As at the point of authorising the accounts, and for the foreseeable future, the directors consider the going concern assumption to still be appropriate. The directors acknowledge that given the currently rapidly changing business and social environment, there are likely to be significant unknown factors which may present themselves. Such factors are considered by the directors to represent a general inherent level of risk in relation to the going concern assumption albeit not quantifiable at this time.

In addition to the above, the directors have considered the amounts due to The Islamic Foundation totalling £58,178 (2021 - £39,410). The Islamic Foundation is a registered charity with trustees in common with The Markfield Institute of Higher Education. The Islamic Foundation has pledged support for the foreseeable future, therefore, the accounts have been prepared on a going concern basis.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount 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.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Donated assets are treated as income and capitalised at market value at the date of the transfer.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.



**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**1. ACCOUNTING POLICIES - continued**

**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 the 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's meetings and reimbursed expenses.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 20% on cost

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Debtors**

Debtor balances are recognised when amounts due to the charity remain unpaid. Debtor balances are regularly reviewed and where there is reasonable doubt that a debt will be received in full an appropriate provision is made against that balance.

**Creditors**

Creditor balances are recognised when the charity incurs a liability. Provisions are made when the charity is expected to incur a liability with respect to events or conditions occurring prior to the year end. Creditor balances and provisions are reviewed regularly to ensure that they are fairly stated or have been cleared correctly.

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**2. DONATIONS AND LEGACIES**

	2022	2021 as restated
	£	£
Sponsorship and scholarships	40,000	40,000
Donations	75,036	137,075
Donation of property	-	250,000
	<u>115,036</u>	<u>427,075</u>

**3. OTHER TRADING ACTIVITIES**

	2022	2021 as restated
	£	£
Other income	<u>3,017</u>	<u>1,797</u>

**4. INVESTMENT INCOME**

	2022	2021 as restated
	£	£
Rents received	<u>11,744</u>	<u>3,845</u>

**5. INCOME FROM CHARITABLE ACTIVITIES**

	2022	2021 as restated
	£	£
Course fees	<u>500,523</u>	<u>600,366</u>

**6. CHARITABLE ACTIVITIES**

**Other trading activities**

	2022	2021 as restated
	£	£
Staff costs	428,439	394,715
Student recruitment and referral	250	400
Hardship awards	25,665	7,900
UK border control fees	1,156	557
Scholarships	35,500	22,000
Bad debts	16,110	7,625
	<u>507,120</u>	<u>433,197</u>

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**7. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 8) £	Totals £
Premises costs	62,738	-	62,738
Administration costs	121,106	2,675	123,781
Governance costs	-	7,500	7,500
	<u>183,844</u>	<u>10,175</u>	<u>194,019</u>

**8. SUPPORT COSTS**

	Governance costs £
Administration costs	2,675
Governance costs	7,500
	<u>10,175</u>

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 as restated £
Auditors' remuneration	7,500	5,400
Depreciation - owned assets	<u>294</u>	<u>28</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**11. STAFF COSTS**

	2022	2021 as restated
	£	£
Wages and salaries	383,996	362,779
Social security costs	31,626	22,556
Other pension costs	12,817	9,380
	<u>428,439</u>	<u>394,715</u>

The average monthly number of employees during the year was as follows:

	2022	2021 as restated
Administration	<u>13</u>	<u>13</u>

No employees received emoluments in excess of £60,000.

The total remuneration package received in the year by the head of provider was:

	2022	2021
	£	£
Gross salary	45,000	45,000
Pension	1,938	1,938
Benefits in kind	-	-
	<u>46,938</u>	<u>46,938</u>

The head of provider's basic salary is 1.7 times the median pay of staff, where the median pay is calculated on a full time equivalent basis for the salaries paid by the provider to its staff.

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund	Restricted fund	Total funds as restated
	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	417,075	10,000	427,075
<b>Charitable activities</b>			
Course fees	600,366	-	600,366
Other trading activities	1,797	-	1,797
Investment income	3,845	-	3,845
<b>Total</b>	<u>1,023,083</u>	<u>10,000</u>	<u>1,033,083</u>
<b>EXPENDITURE ON</b>			
Charitable Activities	423,197	10,000	433,197

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted fund	Restricted fund	Total funds as restated
	£	£	£
<b>Charitable activities</b>			
Premises costs	53,277	-	53,277
Administration costs	164,063	-	164,063
Governance costs	5,400	-	5,400
<b>Total</b>	<u>645,937</u>	<u>10,000</u>	<u>655,937</u>
<b>NET INCOME</b>	377,146	-	377,146
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>			
As previously reported	31,782	142,205	173,987
Prior year adjustment	(235,000)	-	(235,000)
<b>As restated</b>	<u>(203,218)</u>	<u>142,205</u>	<u>(61,013)</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>173,928</u>	<u>142,205</u>	<u>316,133</u>

**13. PRIOR YEAR ADJUSTMENT**

A prior year adjustment has been made to recognise the deferral of course fee income as at 31 December 2021. A further adjustment was also made for deferred course fee income as at 31 December 2020, therefore amending the comparative opening reserves.

**14. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 January 2022	8,281	17,673	25,954
Additions	713	626	1,339
At 31 December 2022	<u>8,994</u>	<u>18,299</u>	<u>27,293</u>
<b>DEPRECIATION</b>			
At 1 January 2022	8,281	17,616	25,897
Charge for year	143	151	294
At 31 December 2022	<u>8,424</u>	<u>17,767</u>	<u>26,191</u>
<b>NET BOOK VALUE</b>			
At 31 December 2022	<u>570</u>	<u>532</u>	<u>1,102</u>
At 31 December 2021	<u>-</u>	<u>57</u>	<u>57</u>

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**15. INVESTMENT PROPERTY**

	£
<b>FAIR VALUE</b>	
At 1 January 2022	
and 31 December 2022	250,000
<b>NET BOOK VALUE</b>	
At 31 December 2022	250,000
At 31 December 2021	250,000

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021 as restated
	£	£
Trade debtors	157,567	243,562
Other debtors	45,741	45,741
Prepayments and accrued income	24,007	56,906
	<u>227,315</u>	<u>346,209</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021 as restated
	£	£
Trade creditors	6,465	9,435
Social security and other taxes	10,296	8,880
Other creditors	2,722	2,640
Islamic Foundation	100,511	91,822
Pension creditor	1,937	1,911
Accruals and deferred income	275,488	262,231
	<u>397,419</u>	<u>376,919</u>

Included in "Accruals and deferred income" is deferred course fee income of £275,488 (2021 - £262,231).

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

			2022	2021 as restated
	Unrestricted fund	Restricted fund	Total funds	Total funds
	£	£	£	£
Fixed assets	1,102	-	1,102	57
Investments	250,000	-	250,000	250,000
Current assets	239,426	152,205	391,631	442,995
Current liabilities	(397,419)	-	(397,419)	(376,919)
	<u>93,109</u>	<u>152,205</u>	<u>245,314</u>	<u>316,133</u>

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**19. MOVEMENT IN FUNDS**

	At 1.1.22 £	Prior year adjustment £	Net movement in funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
General fund	395,595	(221,667)	(80,819)	93,109
<b>Restricted funds</b>				
Restricted	142,205	-	10,000	152,205
<b>TOTAL FUNDS</b>	<u>537,800</u>	<u>(221,667)</u>	<u>(70,819)</u>	<u>245,314</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	618,320	(699,139)	(80,819)
<b>Restricted funds</b>			
Restricted	12,000	(2,000)	10,000
<b>TOTAL FUNDS</b>	<u>630,320</u>	<u>(701,139)</u>	<u>(70,819)</u>

**Comparatives for movement in funds**

	At 1.1.21 £	Prior year adjustment £	Net movement in funds £	At 31.12.21 £
<b>Unrestricted funds</b>				
General fund	31,782	(235,000)	377,146	173,928
<b>Restricted funds</b>				
Restricted	142,205	-	-	142,205
<b>TOTAL FUNDS</b>	<u>173,987</u>	<u>(235,000)</u>	<u>377,146</u>	<u>316,133</u>

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**19. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,023,083	(645,937)	377,146
<b>Restricted funds</b>			
Restricted	10,000	(10,000)	-
<b>TOTAL FUNDS</b>	<u>1,033,083</u>	<u>(655,937)</u>	<u>377,146</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.21 £	Prior year adjustment £	Net movement in funds £	At 31.12.22 £
<b>Unrestricted funds</b>				
General fund	31,782	(456,667)	296,327	(128,558)
<b>Restricted funds</b>				
Restricted	142,205	-	10,000	152,205
<b>TOTAL FUNDS</b>	<u>173,987</u>	<u>(456,667)</u>	<u>306,327</u>	<u>23,647</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,641,403	(1,345,076)	296,327
<b>Restricted funds</b>			
Restricted	22,000	(12,000)	10,000
<b>TOTAL FUNDS</b>	<u>1,663,403</u>	<u>(1,357,076)</u>	<u>306,327</u>

The specific purposes for which the funds are to be applied are as follows:

The restricted funds represent donations and amounts given to the The Institute which have been given on the basis that they will be used for specific purposes such as awards, scholarships and sponsorships and for specific course development.



**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**20. RELATED PARTY DISCLOSURES**

The Markfield Institute of Higher Education (MIHE) has Trustees in common with The Islamic Foundation (IF). During the year, MIHE paid £31,685 (2021 - £24,460) to IF in respect of rent and various other office expenses. At the balance sheet date MIHE owed IF a net amount of £58,178 (2021 - £39,410).

The Al-Medina Trust - trustees in common

The Al-Medina Trust made donations to MIHE during the year of £40,000 (2021 - £40,000).

The Madina Trust - trustees in common

The Madina Trust made donations to MIHE during the year of £12,000 (2021 - £10,000).

Long Ditton Trust - trustees in common

Last year, Long Ditton Trust donated a property to MIHE. The property was valued at £250,000. No such donation was made during this year. Long Ditton Trust made donations to MIHE during the year of £nil (2021 - £91,430).

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 as restated £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Sponsorship and scholarships	40,000	40,000
Donations	75,036	137,075
Donation of property	-	250,000
	<u>115,036</u>	<u>427,075</u>
<b>Other trading activities</b>		
Other income	3,017	1,797
<b>Investment income</b>		
Rents received	11,744	3,845
<b>Charitable activities</b>		
Course fees	500,523	600,366
<b>Total incoming resources</b>	<u>630,320</u>	<u>1,033,083</u>
<b>EXPENDITURE</b>		
<b>Other trading activities</b>		
Wages and salaries	383,996	362,779
Social security costs	31,626	22,556
Staff pensions	12,817	9,380
Student recruitment and referral	250	400
Hardship awards	25,665	7,900
UK border control fees	1,156	557
Scholarships	35,500	22,000
Bad debts	16,110	7,625
	<u>507,120</u>	<u>433,197</u>
<b>Charitable activities</b>		
Rates and water	10,035	9,537
Insurance	2,229	2,656
Light and heat	16,061	10,403
Telephone	1,756	1,740
Postage and stationery	2,011	3,135
Advertising	6,185	5,389
Rent	12,000	12,000
Repairs and maintenance	6,011	3,539
Travelling	8,036	4,601
Accommodation and subsistence	4,757	3,554
Events and ceremonies	2,987	3,234
Sundries	-	100
Carried forward	72,068	59,888

This page does not form part of the statutory financial statements

**THE MARKFIELD INSTITUTE OF HIGHER  
EDUCATION**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021 as restated
	£	£
<b>Charitable activities</b>		
Brought forward	72,068	59,888
Internet and IT expenses	36,646	49,204
Books and subscriptions	4,238	5,499
Equipment hire	2,510	294
Cleaning	10,217	9,872
Bank charges	1,805	1,269
Validation and accreditation fees	52,997	80,227
Legal and professional	3,069	3,341
Fixtures and fittings depreciation	143	-
Computer equipment depreciation	151	28
	<u>183,844</u>	<u>209,622</u>
<b>Support costs</b>		
<b>Governance costs</b>		
Auditors' remuneration	7,500	5,400
Financial operations management	2,675	2,154
Consultancy	-	5,564
	<u>10,175</u>	<u>13,118</u>
Total resources expended	<u>701,139</u>	<u>655,937</u>
<b>Net (expenditure)/income</b>	<u><u>(70,819)</u></u>	<u><u>377,146</u></u>

This page does not form part of the statutory financial statements