

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 2023
FOR
THE MARKFIELD INSTITUTE OF HIGHER
EDUCATION
(A COMPANY LIMITED BY GUARANTEE)

THE MARKFIELD INSTITUTE OF HIGHER
EDUCATION

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For The Year Ended 31 December 2023

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**THE MARKFIELD INSTITUTE OF HIGHER
EDUCATION**

**REFERENCE AND ADMINISTRATIVE DETAILS
For The Year Ended 31 December 2023**

TRUSTEES	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
REGISTERED OFFICE	Ratby Lane Markfield Leicester Leicestershire LE67 9SY
REGISTERED COMPANY NUMBER	06471324 (England and Wales)
REGISTERED CHARITY NUMBER	1125851
AUDITORS	TC Group 31 High View Close Hamilton Office Park Leicester Leicestershire LE4 9LJ
BANKERS	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 2023**

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 2023. 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.

Like other higher education institutions, the Institute has been regulated by the Office for Students (OfS) since registering with it in March 2019. It is also accredited by the British Accreditation Council (BAC). It holds a UKVI Student Route (with a track record) and Skilled Worker Sponsor Status to recruit students and staff from overseas.

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. These activities aim to equip students with knowledge and academic skills that enable them to become specialists, pursue professional careers, and become responsible citizens who can make valuable social and economic contributions to society. During the 2022-23 academic year, 60 students graduated from the Institute from its different courses. In addition, the Institute delivered some 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 2023**

STRATEGIC REPORT

Achievement and performance

Engagement with staff

Staff engagement, contribution and development are 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 can 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 are encouraged to ensure effective performance, teaching and academic operations quality, and the maintenance of academic and administrative standards. Staff development opportunities are provided through several in-house staff training sessions during the year and 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. 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 they have the best learning experience possible while studying with us. Students are supported in their academic work through several methods and provided access to various 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 is captured through various methods, which facilitate ongoing enhancements and changes. The Students' Council coordinates and represents the students' voice at the Academic Board.

Financial review

Financial position

This financial year the organisation has recorded an 'in year' deficit in unrestricted funds of £71,863 (2022 - £80,819) and a surplus in restricted funds of £12,000 (2022 - £10,000). This deficit is primarily due to fewer donations received during the accounting period. During the year a provision of £296,000 was made in respect of courses paid in advance (2022 - £242,383).

Reserves policy

The charity had unrestricted reserves of £21,246 and restricted reserves of £164,205 as at 31 December 2023. 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.

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. The charity was established under a Memorandum of Association and is governed in accordance with the object and powers set out in its governing documents, the Articles of Association and By-laws. The Board of Trustees is responsible for approving the strategy, budget, audited accounts, annual reports, academic plans, academic and operational quality and standards, compliance to the Prevent Duty and with the OfS's ongoing conditions of registration, and any other relevant regulatory responsibilities. The Board meets three times yearly to consider the charity's performance and respond to emerging issues and risks.

Recruitment and appointment of new trustees

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

**THE MARKFIELD INSTITUTE OF HIGHER
EDUCATION**

**REPORT OF THE TRUSTEES
For The Year Ended 31 December 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

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 charity's performance 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 roles upon appointment, updated on the Institute's historical developments and current position, and introduced to the resources available on the Charity Commission's website so that they can familiarise themselves with their duties and responsibilities.

Key management remuneration

The Board of Trustees is responsible for setting the Rector's remuneration package, which is reviewed annually.

Internal controls

The Institute has developed a sound internal control system that is appropriate to its size and operations and in accordance with best practice. This system is designed to identify the principal risks that may prevent or inhibit the achievement of the Institute's aims and objectives, evaluate the nature and extent of those risks, and manage them efficiently, effectively, and economically. The trustees ensure the maintenance of this internal control system and keep it under review to ensure the ongoing effectiveness of these arrangements.

The key internal control arrangements to ensure compliance and risks are identified and managed appropriately include the Management Board, Finance and HR Committee, and Academic Board - in addition to the Board of Trustees. The Board of Trustees approves the appointment of these boards/committees. In addition, trustees are formal members of these key committees/boards that oversee the institute's management, quality, and operations. The Rector is accountable to the Board and responsible for implementing its decisions. These arrangements help oversee all academic operations, risks, and compliance matters. They ensure the prevention and detection of risks and any corruption, fraud, bribery, and other irregularities. The Trustees receive reports from the meetings of all these committees/boards.

Risk management

The Trustees receive reports to assist them in identifying and reviewing the risks to which the charity is exposed and ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees regularly review the following principal risk areas:

- Legal and financial risks
- Regulatory compliance risks
- Reputation risks
- IT security and infrastructure risks
- Building maintenance: risks related to building-specific health and safety risks and longer-term building/estate development plans.
- The Student Protect Plan highlights the Institute's principal risks regarding students and mitigation measures.

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.

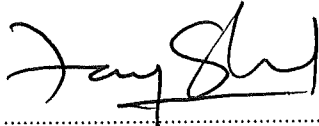
AUDITORS

The auditors, TC Group, will be proposed for re-appointment at the forthcoming Annual General Meeting.

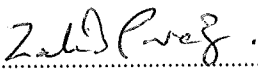
THE MARKFIELD INSTITUTE OF HIGHER
EDUCATION

REPORT OF THE TRUSTEES
For The Year Ended 31 December 2023

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on24 MAY 2024..... 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 2023**

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 2023 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.

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.

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

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.

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.

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

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. 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.

Dilun Mistry

Dilun Mistry FCA (Senior Statutory Auditor)
for and on behalf of TC Group
31 High View Close
Hamilton Office Park
Leicester
Leicestershire
LE4 9LJ

Date: **24 May 2024**
.....

**THE MARKFIELD INSTITUTE OF HIGHER
EDUCATION**

**STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2023**

	Notes	Unrestricted fund £	Restricted fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	55,804	12,000	67,804	115,036
Charitable activities	5				
Course fees		526,575	-	526,575	500,523
Other trading activities	3	6,133	-	6,133	3,017
Investment income	4	<u>9,771</u>	<u>-</u>	<u>9,771</u>	<u>11,744</u>
Total		<u>598,283</u>	<u>12,000</u>	<u>610,283</u>	<u>630,320</u>
 EXPENDITURE ON					
Charitable Activities	6	448,609	-	448,609	507,120
Charitable activities	7				
Premises costs		75,871	-	75,871	62,738
Administration costs		135,166	-	135,166	123,781
Governance costs		<u>10,500</u>	<u>-</u>	<u>10,500</u>	<u>7,500</u>
Total		<u>670,146</u>	<u>-</u>	<u>670,146</u>	<u>701,139</u>
 NET INCOME/(EXPENDITURE)		(71,863)	12,000	(59,863)	(70,819)
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>93,109</u>	<u>152,205</u>	<u>245,314</u>	<u>316,133</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>21,246</u></u>	<u><u>164,205</u></u>	<u><u>185,451</u></u>	<u><u>245,314</u></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 2023**

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	13	1,448	1,102
Investment property	14	<u>250,000</u>	<u>250,000</u>
		251,448	251,102
CURRENT ASSETS			
Debtors	15	302,770	227,315
Cash at bank and in hand		<u>109,062</u>	<u>164,316</u>
		411,832	391,631
CREDITORS			
Amounts falling due within one year	16	<u>(477,829)</u>	<u>(397,419)</u>
NET CURRENT ASSETS		<u>(65,997)</u>	<u>(5,788)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>185,451</u>	<u>245,314</u>
NET ASSETS		<u>185,451</u>	<u>245,314</u>
FUNDS	18		
Unrestricted funds		21,246	93,109
Restricted funds		<u>164,205</u>	<u>152,205</u>
TOTAL FUNDS		<u>185,451</u>	<u>245,314</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 24 MAY 2024 and were signed on its behalf by:


.....
Mr F S Murad - Trustee


.....
Dr Z Parvez

The notes form part of these financial statements

**THE MARKFIELD INSTITUTE OF HIGHER
EDUCATION**

**CASH FLOW STATEMENT
For The Year Ended 31 December 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(54,449)</u>	<u>68,869</u>
Net cash (used in)/provided by operating activities		<u>(54,449)</u>	<u>68,869</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(805)</u>	<u>(1,339)</u>
Net cash used in investing activities		<u>(805)</u>	<u>(1,339)</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(55,254)	67,530
Cash and cash equivalents at the beginning of the reporting period		<u>164,316</u>	<u>96,786</u>
Cash and cash equivalents at the end of the reporting period		<u>109,062</u>	<u>164,316</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 2023

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(59,863)	(70,819)
Adjustments for:		
Depreciation charges	459	294
(Increase)/decrease in debtors	(75,455)	118,894
Increase in creditors	<u>80,410</u>	<u>20,500</u>
Net cash (used in)/provided by operations	<u>(54,449)</u>	<u>68,869</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.23 £	Cash flow £	At 31.12.23 £
Net cash			
Cash at bank and in hand	<u>164,316</u>	<u>(55,254)</u>	<u>109,062</u>
	<u>164,316</u>	<u>(55,254)</u>	<u>109,062</u>
Total	<u>164,316</u>	<u>(55,254)</u>	<u>109,062</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 2023**

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 £83,821 (2022 - £58,178). 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.

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.

**THE MARKFIELD INSTITUTE OF HIGHER
EDUCATION**

**NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023**

1. ACCOUNTING POLICIES - continued

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 trustee'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
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**NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023**

2. DONATIONS AND LEGACIES		2023	2022
		£	£
Sponsorship and scholarships		45,000	40,000
Donations		<u>22,804</u>	<u>75,036</u>
		<u>67,804</u>	<u>115,036</u>
3. OTHER TRADING ACTIVITIES		2023	2022
		£	£
Other income		<u>6,133</u>	<u>3,017</u>
4. INVESTMENT INCOME		2023	2022
		£	£
Rents received		<u>9,771</u>	<u>11,744</u>
5. INCOME FROM CHARITABLE ACTIVITIES		2023	2022
		£	£
Course fees	Activity Course fees	<u>526,575</u>	<u>500,523</u>
6. CHARITABLE ACTIVITIES			
Other trading activities		2023	2022
		£	£
Staff costs		434,744	428,439
Student recruitment and referral		200	250
Hardship awards		-	25,665
UK border control fees		800	1,156
Scholarships		3,000	35,500
Bad debts		<u>9,865</u>	<u>16,110</u>
		<u>448,609</u>	<u>507,120</u>

**THE MARKFIELD INSTITUTE OF HIGHER
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**NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023**

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Premises costs	75,871	-	75,871
Administration costs	132,705	2,461	135,166
Governance costs	-	10,500	10,500
	<u>208,576</u>	<u>12,961</u>	<u>221,537</u>

8. SUPPORT COSTS

	Governance costs £
Administration costs	2,461
Governance costs	<u>10,500</u>
	<u>12,961</u>

9. NET INCOME/(EXPENDITURE)

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

	2023 £	2022 £
Auditors' remuneration	10,500	7,500
Depreciation - owned assets	<u>459</u>	<u>294</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2023 nor for the year ended 31 December 2022.

11. STAFF COSTS

	2023 £	2022 £
Wages and salaries	390,769	383,996
Social security costs	31,421	31,626
Other pension costs	<u>12,554</u>	<u>12,817</u>
	<u>434,744</u>	<u>428,439</u>

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

	2023 <u>13</u>	2022 <u>13</u>
Academic and administration		

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**NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023**

11. STAFF COSTS - continued

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

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

	2023	2022
	£	£
Gross salary	46,667	45,000
Pension	2,021	1,938
Benefits in kind	-	-
	<u>48,688</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 £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	103,036	12,000	115,036
Charitable activities			
Course fees	500,523	-	500,523
Other trading activities	3,017	-	3,017
Investment income	<u>11,744</u>	<u>-</u>	<u>11,744</u>
Total	<u>618,320</u>	<u>12,000</u>	<u>630,320</u>
EXPENDITURE ON			
Charitable Activities	505,120	2,000	507,120
Charitable activities			
Premises costs	62,738	-	62,738
Administration costs	123,781	-	123,781
Governance costs	<u>7,500</u>	<u>-</u>	<u>7,500</u>
Total	<u>699,139</u>	<u>2,000</u>	<u>701,139</u>
NET INCOME/(EXPENDITURE)	(80,819)	10,000	(70,819)
RECONCILIATION OF FUNDS			
Total funds brought forward			
As previously reported	395,595	142,205	537,800
Prior year adjustment	<u>(221,667)</u>	<u>-</u>	<u>(221,667)</u>
As restated	173,928	142,205	316,133

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NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued			
	Unrestricted fund £	Restricted fund £	Total funds £
TOTAL FUNDS CARRIED FORWARD	<u>93,109</u>	<u>152,205</u>	<u>245,314</u>
13. TANGIBLE FIXED ASSETS			
	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2023	8,994	18,299	27,293
Additions	<u>-</u>	<u>805</u>	<u>805</u>
At 31 December 2023	<u>8,994</u>	<u>19,104</u>	<u>28,098</u>
DEPRECIATION			
At 1 January 2023	8,424	17,767	26,191
Charge for year	<u>143</u>	<u>316</u>	<u>459</u>
At 31 December 2023	<u>8,567</u>	<u>18,083</u>	<u>26,650</u>
NET BOOK VALUE			
At 31 December 2023	<u>427</u>	<u>1,021</u>	<u>1,448</u>
At 31 December 2022	<u>570</u>	<u>532</u>	<u>1,102</u>
14. INVESTMENT PROPERTY			
			£
FAIR VALUE			
At 1 January 2023 and 31 December 2023			<u>250,000</u>
NET BOOK VALUE			
At 31 December 2023			<u>250,000</u>
At 31 December 2022			<u>250,000</u>
15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
	2023 £	2022 £	
Trade debtors	230,153	157,567	
Other debtors	45,741	45,741	
Prepayments and accrued income	<u>26,876</u>	<u>24,007</u>	
	<u>302,770</u>	<u>227,315</u>	

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**NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	6,691	6,465
Social security and other taxes	9,119	10,296
Other creditors	-	2,722
Islamic Foundation	126,451	100,511
Pension creditor	1,710	1,937
Accruals and deferred income	<u>333,858</u>	<u>275,488</u>
	<u>477,829</u>	<u>397,419</u>

Included in "Accruals and deferred income" is deferred course fee income of £296,000 (2022 - £242,383).

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	2023 Total funds	2022 Total funds
	£	£	£	£
Fixed assets	1,448	-	1,448	1,102
Investments	250,000	-	250,000	250,000
Current assets	247,627	164,205	411,832	391,631
Current liabilities	<u>(477,829)</u>	<u>-</u>	<u>(477,829)</u>	<u>(397,419)</u>
	<u>21,246</u>	<u>164,205</u>	<u>185,451</u>	<u>245,314</u>

18. MOVEMENT IN FUNDS

	At 1.1.23	Net movement in funds	At 31.12.23
	£	£	£
Unrestricted funds			
General fund	93,109	(71,863)	21,246
Restricted funds			
Restricted	152,205	12,000	164,205
TOTAL FUNDS	<u>245,314</u>	<u>(59,863)</u>	<u>185,451</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	598,283	(670,146)	(71,863)
Restricted funds			
Restricted	12,000	-	12,000
TOTAL FUNDS	<u>610,283</u>	<u>(670,146)</u>	<u>(59,863)</u>

**THE MARKFIELD INSTITUTE OF HIGHER
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**NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 December 2023**

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

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

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

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

19. RELATED PARTY DISCLOSURES

The Markfield Institute of Higher Education (MIHE) has Trustees in common with The Islamic Foundation (IF). During the year, MIHE paid £38,393 (2022 - £31,685) to IF in respect of rent and various other office expenses. At the balance sheet date MIHE owed IF a net amount of £83,531 (2022 - £58,178).

The Al-Medina Trust - trustees in common

The Al-Medina Trust made donations to MIHE during the year of £45,000 (2022 - £40,000).

The Madina Trust - trustees in common

The Madina Trust made donations to MIHE during the year of £12,000 (2022 - £12,000).

**THE MARKFIELD INSTITUTE OF HIGHER
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**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Sponsorship and scholarships	45,000	40,000
Donations	<u>22,804</u>	<u>75,036</u>
	67,804	115,036
Other trading activities		
Other income	6,133	3,017
Investment income		
Rents received	9,771	11,744
Charitable activities		
Course fees	<u>526,575</u>	<u>500,523</u>
Total incoming resources	610,283	630,320
EXPENDITURE		
Other trading activities		
Wages and salaries	390,769	383,996
Social security costs	31,421	31,626
Staff pensions	12,554	12,817
Student recruitment and referral	200	250
Hardship awards	-	25,665
UK border control fees	800	1,156
Scholarships	3,000	35,500
Bad debts	<u>9,865</u>	<u>16,110</u>
	448,609	507,120
Charitable activities		
Rates and water	9,396	10,035
Insurance	2,234	2,229
Light and heat	29,725	16,061
Telephone	(1,682)	1,756
Postage and stationery	1,245	2,011
Advertising	3,814	6,185
Rent and room hire	14,485	12,000
Repairs and maintenance	5,045	6,011
Travelling	4,225	8,036
Accommodation and subsistence	8,272	4,757
Events and ceremonies	4,321	2,987
Sundries	5	-
Internet and IT expenses	46,506	36,646
Books and subscriptions	1,584	4,238
Carried forward	129,175	112,952

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**THE MARKFIELD INSTITUTE OF HIGHER
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**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For The Year Ended 31 December 2023**

	2023	2022
	£	£
Charitable activities		
Brought forward	129,175	112,952
Equipment hire	1,346	2,510
Cleaning	11,172	10,217
Bank charges	1,710	1,805
Validation and accreditation fees	61,789	52,997
Legal and professional	2,925	3,069
Fixtures and fittings depreciation	143	143
Computer equipment depreciation	<u>316</u>	<u>151</u>
	208,576	183,844
Support costs		
Governance costs		
Auditors' remuneration	10,500	7,500
Financial operations management	<u>2,461</u>	<u>2,675</u>
	<u>12,961</u>	<u>10,175</u>
Total resources expended	<u>670,146</u>	<u>701,139</u>
Net expenditure	<u><u>(59,863)</u></u>	<u><u>(70,819)</u></u>

This page does not form part of the statutory financial statements