

**TAQWA INSTITUTE**  
**TRUSTEES' REPORT AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

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<b>Trustees</b>	Mrs Arzoo Afzal (resigned 28.4.21) Mrs Aneesa Soheil Mrs Zainab Ahmed (resigned 12.10.20) Mrs Aniq Iram Rashid Attif Rashid Trustee (appointed 28.4.21) Abdullah Ali Naveed (appointed 28.4.21)
<b>Principal address</b>	Meridian Business Centre King street Oldham OL8 1EZ
<b>Registered charity number</b>	1131176
<b>Independent examiner</b>	Riley Moss 2018 Limited Riley House 183-185 North Road Preston Lancashire PR1 1YQ

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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The trustees present their report with the financial statements of the charity for the year ended 30 September 2021. 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**

The objectives of the trust as set out in its governing document are:

To advance education for the public benefit by the provision of but not limited to Islamic and secular education; and

To advance religion according to the tenets of the Islamic faith

**GENERAL CHARITABLE PURPOSES**

- Education / training
- Religious activities
- Economic / community development / employment
- Human rights / religious or racial harmony / equality or diversity
- Recreation

**WHO**

- Children / young people
- Other charities or voluntary bodies
- The general public / mankind

**HOW**

- Makes grants to individuals
- Provides human resources
- Provides buildings / facilities / open space
- Provides services

When planning activities for this period, the trustees have considered the commission's guidance on public benefit.

**Achievement and performance**

Due to the pandemic and consequently the economic impact, all education and activities remained virtual for the duration of the year. Given the challenges faced, the charities aims were to continue learning and teaching primarily without any further disruption and therefore continue to train teachers and invest in platforms that would support this. Government guidance meant that there was no return onsite until 8th March 2021. Further impediments to returning on site were due to the Local Authority taking ownership of our site and there being a number of onsite building developments that were necessary for safe return.

Fundraising for 2021 was almost all carried out virtually, with donors supporting running costs towards technology and equipment.

Notable points also for year 2021 is the change of Trustees with 2 new trustees added to the charities register.

The Trustees collectively discussed and consulted over various or alternative plans for the land at Byron St and its potential uses with planning committees and developers and instructed local architects to present proposals.

**Financial review**

It is the policy of the charity to maintain unrestricted funds at a level which equate to approximately 12 months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs.

**Structure, governance and management**

**Governing document**

Taqwa Institute is a registered UK Charity constituted on 22 June 2009 under charity number 1131176. It is an unincorporated charity. The governing document is a Trust Deed.

The trustees who served during the period and up to the date of this report are set out on page 1. The trustees have the power to appoint any person to be a trustee in accordance with the provisions of the Trust Deed. An appointed trustee holds office within the limits permitted by law. The charity employs a number of staff and has 1 project manager working voluntarily.

There are informal procedures in place for induction and training of new trustees. Trustees are also encouraged to attend external briefings and training courses.

Approved by order of the board of trustees on 25 July 2022 and signed on its behalf by:

Mrs Aniqah Iram Rashid - Trustee

# INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF TAQWA INSTITUTE

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## **Independent examiner's report to the trustees of Taqwa Institute**

I report to the charity trustees on my examination of the accounts of Taqwa Institute (the Trust) for the year ended 30 September 2021.

### **Responsibilities and basis of report**

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Farook Patel  
FCA  
Riley Moss 2018 Limited  
Riley House  
183-185 North Road  
Preston  
Lancashire  
PR1 1YQ

25 July 2022

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

		<b>2021 Unrestricted funds £</b>	<b>2020 Total funds £</b>
<b>Income and endowments from</b>	<b>Notes</b>		
Donations and legacies	2	124,067	152,713
Other income		30,415	39,649
<b>Total</b>		<b>154,482</b>	<b>192,362</b>
<b>Expenditure on</b>			
<b>Charitable activities</b>	<b>3</b>		
Charitable expenditure		96,428	146,239
<b>NET INCOME</b>		<b>58,054</b>	<b>46,123</b>
<b>Reconciliation of funds</b>			
<b>Total funds brought forward</b>		<b>146,326</b>	<b>100,203</b>
<b>Total funds carried forward</b>		<b>204,380</b>	<b>146,326</b>

**STATEMENT OF FINANCIAL POSITION**  
**30 SEPTEMBER 2021**

		<b>2021 Unrestricted funds £</b>	<b>2020 Total funds £</b>
<b>Fixed assets</b>	<b>Notes</b>		
Tangible assets	7	65,312	65,312
<b>Current assets</b>			
Cash at bank and in hand		174,921	114,074
<b>Creditors</b>			
Amounts falling due within one year	8	(35,853)	(33,060)
<b>Net current assets</b>		<u>139,068</u>	<u>81,014</u>
<b>Total assets less current liabilities</b>		204,380	146,326
<b>NET ASSETS</b>		<u>204,380</u>	<u>146,326</u>
<b>Funds</b>	9		
Unrestricted funds		<u>204,380</u>	<u>146,326</u>
<b>Total funds</b>		<u>204,380</u>	<u>146,326</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25 July 2022 and were signed on its behalf by:

Aniqa Iram Rashid - Trustee



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

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### 1. Accounting policies

#### **Basis of preparing the financial statements**

The financial statements of the charity, 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 Charities Act 2011. The financial statements have been prepared under the historical cost convention.

#### **Going concern**

Trustees consider that the charitable company has sufficient resources and there are no material uncertainties about the charity's ability to continue. Accordingly, trustees continue to adopt the going concern basis in preparing the financial statements.

#### **Income**

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

#### **Expenditure**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

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 are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

#### **Tangible fixed assets**

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

Freehold property	- No depreciation is charged
Fixtures, fittings & equipments	- 25% per annum straight line basis

#### **Taxation**

The charity is exempt from tax on its charitable activities.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**1. Accounting policies - continued**

**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.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**2. Donations and legacies**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Donations	20,862	48,970
Fees	103,205	103,743
	<u>124,067</u>	<u>152,713</u>

**3. Charitable activities costs**

	<b>Direct Costs</b>	<b>Support costs (see note 4)</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Charitable expenditure	<u>19,621</u>	<u>76,807</u>	<u>96,428</u>

**4. Support costs**

	<b>Management</b>	<b>Governance costs</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Charitable expenditure	<u>76,182</u>	<u>625</u>	<u>76,807</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**4. Support costs - continued**

Support costs, included in the above, are as follows:

**Management**

	<b>2021</b> <b>Charitable</b> <b>expenditure</b> <b>£</b>	<b>2020</b> <b>Total</b> <b>activities</b> <b>£</b>
Wages	70,294	87,302
Social security	68	-
Rates and water	3,166	2,012
Printing, postage and stationery	1,012	3,380
Advertising	-	875
Repairs and maintenance	1,642	3,986
	<u>76,182</u>	<u>97,555</u>

**Governance costs**

	<b>2021</b> <b>Charitable</b> <b>expenditure</b> <b>£</b>	<b>2020</b> <b>Total</b> <b>activities</b> <b>£</b>
Accountancy and legal fees	<u>625</u>	<u>1,703</u>

**5. Trustees' remuneration and benefits**

During the year charity paid remuneration of £2,143 (2020: £10,601) to Arzoo Afzal in addition to their trusteeship. There were no other trustees' remunerations or benefits paid for the year ended 30 September 2021 nor for the year ended 30 September 2020.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 30 September 2021 nor for the year ended 30 September 2020.

**6. Staff costs**

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

	<b>2021</b>	<b>2020</b>
Administration staff	2	3
Teaching staff	12	22
	<u>14</u>	<u>25</u>

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

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**7. Tangible fixed assets**

	<b>Freehold property £</b>	<b>Fixtures, fittings &amp; equipments £</b>	<b>Totals £</b>
<b>Cost</b>			
At 1 October 2020 and 30 September 2021	65,312	3,878	69,190
<b>Depreciation</b>			
At 1 October 2020 and 30 September 2021	-	3,878	3,878
<b>Net book value</b>			
At 30 September 2021	65,312	-	65,312
At 30 September 2020	65,312	-	65,312

**8. Creditors: amounts falling due within one year**

	<b>2021 £</b>	<b>2020 £</b>
Taxation and social security	11,145	7,623
Other creditors	24,708	25,437
	35,853	33,060

**9. Movement in funds**

	<b>At 1.10.20 £</b>	<b>Net movement in funds £</b>	<b>At 30.9.21 £</b>
<b>Unrestricted funds</b>			
Unrestricted	146,326	58,054	204,380
<b>TOTAL FUNDS</b>	146,326	58,054	204,380

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

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>			
Unrestricted	154,482	(96,428)	58,054
<b>TOTAL FUNDS</b>	154,482	(96,428)	58,054

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**9. Movement in funds - continued**

**Comparatives for movement in funds**

	<b>At 1.10.19 £</b>	<b>Net movement in funds £</b>	<b>At 30.9.20 £</b>
<b>Unrestricted funds</b>			
Unrestricted	100,203	46,123	146,326
<b>TOTAL FUNDS</b>	<u>100,203</u>	<u>46,123</u>	<u>146,326</u>

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

	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Movement in funds £</b>
<b>Unrestricted funds</b>			
Unrestricted	192,362	(146,239)	46,123
<b>TOTAL FUNDS</b>	<u>192,362</u>	<u>(146,239)</u>	<u>46,123</u>

**10. Related party disclosures**

There were no related party transactions for the year ended 30 September 2021.

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Donations	20,862	48,970
Fees	103,205	103,743
	<u>124,067</u>	<u>152,713</u>
<b>Other income</b>		
Job Retention Scheme	30,415	29,649
Council Grant	-	10,000
	<u>30,415</u>	<u>39,649</u>
<b>Total incoming resources</b>	<u>154,482</u>	<u>192,362</u>
<b>Expenditure</b>		
<b>Charitable activities</b>		
Operating leases	-	31,774
Telephone	539	2,601
Charitable expenditure	19,082	12,606
	<u>19,621</u>	<u>46,981</u>
<b>Support costs</b>		
<b>Management</b>		
Wages	70,294	87,302
Social security	68	-
Rates and water	3,166	2,012
Printing, postage and stationery	1,012	3,380
Advertising	-	875
Repairs and maintenance	1,642	3,986
	<u>76,182</u>	<u>97,555</u>
<b>Governance costs</b>		
Accountancy and legal fees	625	1,703
	<u>96,428</u>	<u>146,239</u>
<b>Total resources expended</b>		
	<u>96,428</u>	<u>146,239</u>
<b>Net income</b>	<u><u>58,054</u></u>	<u><u>46,123</u></u>